

County of Loudoun, Virginia

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2004



**COUNTY OF LOUDOUN, VIRGINIA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the fiscal year ended**

**June 30, 2004**

**Prepared by:**

**Department of Management and Financial Services**  
**Division of Finance and Accounting**



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# COUNTY OF LOUDOUN, VIRGINIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2004

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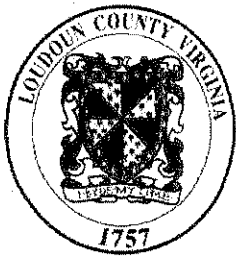
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## **INTRODUCTORY SECTION**





## Loudoun County, Virginia

[www.loudoun.gov](http://www.loudoun.gov)

Office of the County Administrator

1 Harrison Street, S.E., 5th Floor, P.O. Box 7000, Leesburg, VA 20177-7000

Telephone (703) 777-0200 • Fax (703) 777-0325

October 29, 2004

The Honorable Members of the Board of Supervisors  
County of Loudoun, Virginia  
1 Harrison Street, S.E., P.O. Box 7000  
Leesburg, Virginia 20177-7000

Dear Mr. Chairman and Members of the Board:

I am pleased to present the County's Comprehensive Annual Financial Report for the fiscal year ending June 30, 2004.

This report, prepared by the Comptroller's Office of the Department of Management and Financial Services, identifies the County's financial position and marks the County's financial activities over the past fiscal year. We believe the data contained in the report are accurate in all material aspects. The required disclosure statements are also set forth.

The Comprehensive Annual Financial Report marks the County's continued adherence to and refinement of the guidelines and goals set forth in the Board of Supervisors' Fiscal Policy. The purpose of the Fiscal Policy is to set forth those policies of the Board that establish guidelines for the fiscal stability of the County and establish guidelines for the County Administrator in insuring that fiscal stability. An effective Fiscal Policy (1) contributes significantly to the County's ability to insulate itself from fiscal crisis, (2) enhances short-term and long term financial credit ability by helping to achieve the highest credit and bond ratings possible, (3) promotes long-term financial stability by establishing clear and consistent guidelines, (4) directs attention to the total financial picture of the County rather than single issue areas, (5) promotes the view of linking long term financial planning with day-to-day operations, and (6) provides a framework for measuring the impact of government services against established fiscal parameters and guidelines. The summarized progress as reported in the Comprehensive Annual Financial Report has become an indicator of the relative success of these policies. During fiscal year 2004, Moody's Investors Services, Inc. upgraded the County's general obligation bond rating Aaa, the highest rating available, while Standard and Poor's (S&P) and Fitch Credit Rating Services affirmed the AA+ bond ratings.

The County concluded fiscal year 2004 in a moderately sound financial condition. In addition, the County initiated or continued a number of management initiatives designed to effectively manage the challenges that continued growth has brought to Loudoun County.

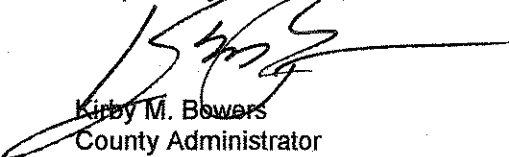
The County, through the budgeting process, funded a series of long-range strategic objectives that establishes a base for providing services for our anticipated population. These objectives significantly impacted service planning, land use planning and general management.

It will take planning and commitment to meet the challenge of efficiently providing needed services for the current population while developing the necessary infrastructure for the future and the tax base and resources to pay for that infrastructure. The County population is estimated to be 229,429 in 2004. According to a recent report issued by the County's Fiscal Impact Technical Review Committee, between now and 2010 Loudoun will experience the highest percentage growth in population and jobs for the entire Washington Metropolitan Area. By 2010, Loudoun's population is expected to be approximately 304,200.

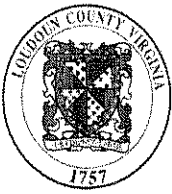
In managing our available resources, we must strike a balance between the demands for additional services and the ability to pay for those services. The increasing rate of growth has increased the need for growth management and has, concurrently, modestly increased the resources available for program allocation. Financial management continues to be of paramount importance in this and future fiscal years.

The County's financial health is reflected in the moderate soundness of its current financial condition, and it is anticipated that current financial management practices will continue the County's tradition of fiscal stability. The Board's emphasis on sound fiscal planning, budget development and financial management contributes to the present financial condition of the County and sets the parameters and tasks for next year.

Respectfully submitted,



Kirby M. Bowers  
County Administrator



## Loudoun County, Virginia

[www.loudoun.gov](http://www.loudoun.gov)

Department of Management and Financial Services

1 Harrison Street, S.E., 5th Floor, P.O. Box 7000, Leesburg, VA 20177-7000

Telephone (703) 777-0563 • Fax (703) 777-0567

October 29, 2004

County Administrator and  
Honorable Members of the Board of Supervisors  
County of Loudoun, Virginia

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the County of Loudoun (County), Virginia, for the fiscal year ended June 30, 2004, was prepared by the County's Department of Management and Financial Services, Comptroller's Office, in accordance with Sections 15.2-2510 and 15.2-2511 of the Code of Virginia. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with County management. We believe that the data as presented are accurate in all material respects, that they are presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of our various funds, and that all disclosures necessary to enable the reader to understand the County's financial activity have been included.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The **Introductory Section** is intended to acquaint the reader with the organizational structure of the County and the nature and scope of the services provided to County residents and others and includes this transmittal letter, the County's organizational chart and a list of principal officials. The **Financial Section** provides the financial position and results of operations of the County, and includes management's discussion and analysis, government-wide financial statements, fund financial statements, combining financial statements, a budgetary comparison schedule, pension schedules, as well as the report of the independent auditors on the financial statements and schedules. The **Statistical Section** is designed to reflect social and economic data, financial trends and the fiscal capacity of the County and includes selected financial and demographic information, generally presented on a multi-year basis.

The County is required to undergo an annual compliance or "single" audit in conformity with the provisions of the revised Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Information related to this single audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the auditors' reports on internal control over financial reporting and on compliance and other matters, is included in a separate report.

The County provides a full range of municipal services authorized by the Code of Virginia and by the Board of Supervisors. These services include public safety (law enforcement and traffic control, fire and rescue services, corrections and detention, and inspections); health and welfare (health, mental health and mental retardation, and social services); education (elementary, secondary, and community college support); parks, recreation and culture (including libraries and museums); community development (planning, zoning, housing, environmental management, and cooperative extension); public works (sanitation and waste removal and maintenance); and general government administration (legislative, general and financial, elections, and judicial). A summary of the financial highlights of these operations for the fiscal year ended June 30, 2004 in the County's various funds is presented Management's Discussion and Analysis, which precedes the County's Financial Statements. In addition to General Government activities, the Board of Supervisors exercises, or has the ability to exercise, budgetary control over the County's School System; therefore, elementary and secondary education activities are included within the reporting entity as a discretely presented component unit.

### Local Economic Condition and Outlook

The citizens of Loudoun are proud of their County, one that combines financial strength and stability with planned progress and a high standard of living or "quality of life". The County, recognized as the fastest growing County in the nation, continues to provide quality service to its residents as it plans for Loudoun's future livability, while minimizing budgetary increases and tax burdens.

The County concluded fiscal year 2004 in a moderately sound financial condition with minimal fiscal stress. The region's favorable economic conditions and the prospect of these conditions continuing has produced a rate of growth for the County greater than has been experienced over recent years. Our planned growth will, in the short term, impact the amount of resources available for allocation to the many programs required by an urbanizing community. The potential for continued long-term growth is excellent; however, commercial construction will not be nearly as robust as recently experienced.

Fiscal year 2004 saw the continued growth of both the residential and commercial/industrial real estate markets. Among the goals and strategies of the Loudoun County Economic Development Plan and Growth Strategy, adopted by the Board of Supervisors in January 1994, is the attraction of new businesses and the enhancement of the business environment to encourage the expansion of existing businesses. Meeting this goal is evidenced by the continuing increase in commercial property values. Many businesses continue to expand existing operations and new businesses are constantly attracted to the County. To ensure that each class of property is paying only its fair and equitable share of the tax burden, the County continues to reappraise its real property tax base annually.

Education continues to be a priority program within the County's operations, and the benefits are demonstrated in excellent testing results of County students. The County School System has a very favorable teacher/pupil ratio and has obtained recognition for excellence in education.

The County faces the challenges of growth and development with confidence, based on a proven financial track record. The County's successes are shared accomplishments combining skill, experience and dedication of elected officials, appointed officials, County employees, and citizens. Faced with changing resources, especially in Federal spending, taxation, and State assistance, the County must continue to plan and manage these resources carefully. The County must continuously define its role in the community to respond to changing times. We will continually fine tune our processes to deliver services to ensure our citizens that we take every possible step to provide the services they want at the least possible cost. Always working with integrity, we seek to lead in the innovative expansion of the professional disciplines in which we serve.

#### Financial Information

Internal Control - Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable assurance that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits which require estimates and judgments by management, is reasonable.

Budgetary Control - In addition to internal controls, the County maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual Fiscal Plan and Appropriations Resolution and adopted in the Budget by the County's Board of Supervisors. Activities of the General Fund, most Special Revenue Funds, and Debt Service Fund are included in the annual Appropriations Resolution and adopted Fiscal Plan. Project-length budgets are adopted for the Capital Projects Fund. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by individual fund. However, management control is maintained at the character level within each organizational unit. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end; however, they generally are reappropriated as part of the following year's budget.

Cash Management - Under the pooled cash concept, the County has greater investment flexibility and normally recognizes a higher rate of return. The County's operating and payroll accounts are maintained as true zero balance accounts so that all excess funds are invested overnight in repurchase agreements. The overnight repurchase agreements are collateralized by U.S. Government and U.S. Agency securities. Idle funds available for longer periods of time are invested in Certificates of Deposit (CDs), the State-maintained Local Government Investment Pool, the State-maintained State Non-Arbitrage Pool, and Money Market accounts.

Certificates of deposit are awarded via competitive bid among Virginia banks. All Virginia banks are required to collateralize deposits of public funds, and report monthly, both deposits and collateral held, to the Commonwealth's Department of Treasury.

The average yield on County investments during fiscal year 2004 was 1.25%. The total amount of interest earned on County investments was \$3,960,060. This compares to 1.74% and \$5,286,052 for fiscal year 2003.

Risk Management - The County General Government's automobile liability, general liability and public officials protection are administered through the Virginia Association of Counties (VACO). These agreements have a \$10 million per occurrence limit. The general liability protections have a \$10 million aggregate limit. Both automobile and general liability policies have a \$100,000 retention. Member jurisdictions contribute to the pool based on their size and past claims experience. The County is also insured for constitutional officers and law-enforcement liability risk through the State Division of Risk Management. These programs have a \$1 million per occurrence limit, and insure the County Sheriff's Department, other County enforcement agencies and all elected constitutional officers and their employees against certain types of claims.

Claims that arose from incidents occurring prior to the existence of all the foregoing agreements are covered under the County's previous commercial insurance programs. The County received and has maintained a Certificate as a Qualified Self-Insurer from the Virginia State Industrial Commission. The County self-insures General Government and Component Unit-Schools workers' compensation and employers' liability, the specified benefits of which are statutory. The County maintains excess insurance from the Employers Reinsurance Corporation limiting individual claims against the self-insurance program to \$400,000.

The County General Government and the Component Unit-Schools retain Landin, Inc., third-party administrator, to adjust workers' compensation claims, provide underwriting services, recommend reserve levels, and provide safety and loss control services. All other lines of property and casualty insurance either have been or are expected to be renewed as they become due.

The County self-insures health insurance for all eligible employees and all retirees with 20 years of service or who qualify for disability. The County purchases specific stop loss insurance from Mid Atlantic Medical Services, Inc. (MAMSI) limiting claims against the self-insurance program to \$100,000 per occurrence for individual claims. A reserve for pending claims and incurred but not reported claims of \$5,430,216 has been accrued as a liability within the self-insurance fund based upon estimates from the County's health insurance claims administrators. The County Primary Government and Component Unit-Schools retain MAMSI, a third party administrator, to adjust health insurance claims, provide underwriting services, recommend reserve levels, including claims reported but not settled.

#### **OTHER INFORMATION**

Independent Audit - Virginia statutes require an annual audit be performed by independent certified public accountants. The accounting firm of KPMG LLP was selected by the County's Board of Supervisors to perform the annual financial and compliance audit. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the revised Federal Single Audit Act of 1996 and related OMB Circular A-133. The auditors' report on the basic financial statements, required supplementary information and other supplementary information is included in the Financial Section of this Report. The auditors' reports related specifically to the single audit are included in a separate report.

Certificate of Achievement for Excellence - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Loudoun, Virginia, for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003. This Certificate of Achievement is a prestigious national award recognizing adherence to the highest standards for preparation of a state and local government financial report.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and the applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Report continues to conform to the Certificate of Achievement Program requirements, and we will submit it to the GFOA to determine its eligibility for another certificate.

Acknowledgments - The County continues to maintain a moderately strong financial position through responsible and progressive management of financial operations and through sound accounting and financial reporting practices. The current accounting and financial reporting standards represent significant enhancements and enable increased efficiency in governmental accounting and financial reporting. We continue to support the achievements in these areas by the Governmental Accounting Standards Board and the Government Finance Officers Association. These practices provide, in our opinion, a sound framework for a truly "comprehensive" annual financial report.

The timely preparation of this Comprehensive Annual Financial Report could not have been accomplished without the effort of the entire staff of this Department's Comptroller's Office. Special recognition goes to our Assistant Comptroller, Ronald C. Pennington, and to our Financial Analysts, Eileen Nguyen and Mark Withrow, for their technical expertise, review and dedicated services in the preparation of this Comprehensive Annual Financial Report.

County Administrator and  
Honorable Members of the Board of Supervisors  
Page Four

Their continued and diligent efforts towards upgrading the County's Financial Accounting and Management Information System, Fixed Asset Accounting and Control System, and many other ancillary financial systems, have lead substantially to the improved quality of financial information being reported to management, the County Administrator, the Board of Supervisors and the citizens of the County.

We would also like to express our appreciation to all other members of the Comptroller's Office of the Department of Management and Financial Services, to our independent auditors and to all County agencies who assisted and contributed to the preparation of this Report. We would also like to thank the members of the Board of Supervisors and the County Administrator for their interest and continued support in planning and implementing efficient yet effective financial operations of the County. This support and cooperation represents responsible and progressive financial management for the County. We will strive to maintain the direction the Board requires to maintain an equitable balance between available resources and the demand for high quality services.

Respectfully submitted,



Paul N. Arnett  
Comptroller



Mark D. Adams  
Director of Management and Financial Services

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Loudoun,  
Virginia

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



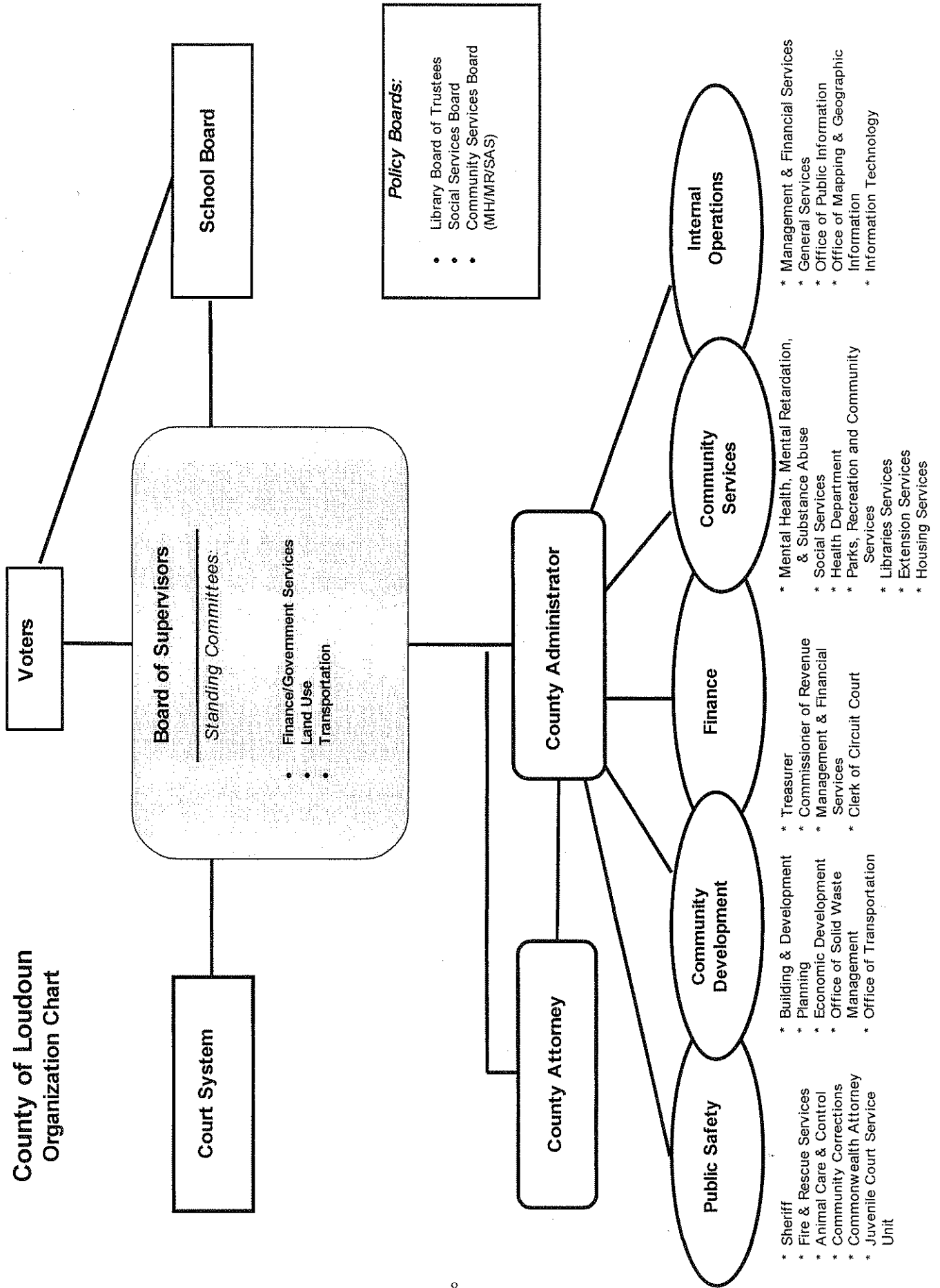
*Nancy L. Zjelke*

President

*Jeffrey R. Enser*

Executive Director

# County of Loudoun Organization Chart





**COUNTY OF LOUDOUN, VIRGINIA**  
**Directory of Officials**  
**June 30, 2004**

**BOARD OF SUPERVISORS**

Scott K. York, Chairman  
Bruce E. Tulloch, Vice Chairman  
James G. Burton  
Lori Waters  
Sally R. Kurtz  
Stephen J. Snow  
Jim Clem  
Eugene A. Delgaudio  
Mick Staton

At Large  
Potomac District  
Blue Ridge District  
Broad Run District  
Catocin District  
Dulles District  
Leesburg District  
Sterling District  
Sugarland Run District

**SCHOOL BOARD**

John A. Andrews, Chairman  
Thomas E. Reed, Vice Chairman  
Priscilla B. Godfrey  
Bob Ohneiser  
Mark J. Nuzzaco  
Robert F. DuPree, Jr.  
Sarah B. Smith  
J. Warren Geurin  
Joseph M. Guzman, Ph.D.

Potomac District  
At-Large Member  
Blue Ridge District  
Broad Run District  
Catocin District  
Dulles District  
Leesburg District  
Sterling District  
Sugarland Run District

**CONSTITUTIONAL OFFICERS**

Robert S. Wertz, Jr.  
James E. Plowman  
Gary M. Clemens  
Stephen O. Simpson  
H. Roger Zurn, Jr.

Commissioner of Revenue  
Commonwealth's Attorney  
Clerk of Circuit Court  
Sheriff  
Treasurer

**ADMINISTRATIVE OFFICERS - GENERAL GOVERNMENT**

Kirby M. Bowers  
Linda A. Neri  
Candice L. deButts  
John R. Roberts  
Mark D. Adams  
Ben Mays  
Paul N. Arnett

County Administrator  
Deputy County Administrator  
Deputy County Administrator  
County Attorney  
Director of Management and Financial Services  
Deputy Chief Financial Officer  
Comptroller

**ADMINISTRATIVE OFFICERS - SCHOOL SYSTEM**

Dr. Edgar B. Hatrick  
Ned D. Waterhouse  
Sharon D. Ackerman  
Evan E. Mohler  
C. Sue Hurd  
Matthew D. Britt, IV  
Douglas C. Holmes

Superintendent of Schools  
Deputy Superintendent  
Assistant Superintendent  
Assistant Superintendent  
Assistant Superintendent  
Assistant Superintendent  
Assistant Superintendent

## COUNTY OF LOUDOUN

The County of Loudoun is a historic, transitional rural county that was established in 1757 and named for John Campbell, Fourth Earl of Loudoun. The County is located in the Northwestern tip of the Commonwealth of Virginia just west and north of Washington, D.C., and is considered to be part of the Northern Virginia and Washington Metropolitan areas. The County is approximately 517 square miles in size, covering 330,880 acres of land area, with a current population of approximately 229,429 and is one of the fastest growing jurisdictions in the Washington Metropolitan Area.

The County is governed by an elected body of representatives called the Board of Supervisors, with one Supervisor elected from each of the eight magisterial districts and one At-Large (Chairman) for a term of four years. The Board of Supervisors is the legislative and policy setting body for the County government, oversees general governmental operations, and is responsible for appropriating funds for the various County departments and agencies. A County Administrator is appointed by the Board of Supervisors to act as the Board's agent in the administration and operation of these departments and agencies. The Board also appoints the Planning Commission, the Library Board, the Social Services Board, as well as other advisory boards, commissions, committees, etc.

In addition to the Board of Supervisors, other elected County officials include: the School Board, the Commonwealth Attorney, Commissioner of Revenue, Treasurer, Sheriff, and Circuit Court Clerk. The judges of the Circuit Court, General District Court, and the Juvenile and Domestic Relations District Court are elected by the State Legislature.

Loudoun County has the conveniences associated with urban areas, while maintaining a comfortable "country-living" atmosphere. The eastern portion of the County borders with Fairfax County, Virginia, and contains the rapidly expanding Dulles International Airport. This portion of the County has grown into a densely populated area with easy access to the Washington Metropolitan Area. This part of the County portrays the "suburban life", with many modern conveniences, easy access to schools, airport, shopping centers, etc. While Eastern Loudoun, experiencing heavy development pressures from the Washington Metropolitan Area, represents the new urban growth, Western Loudoun, bordered by the Blue Ridge Mountains to the west and Potomac River to the north, displays a rural and historical environment. The western portion of the County is made up of small towns and villages surrounded primarily by farmland and open spaces. This portion of the County is sparsely populated and represents the past, with many of the oldest historical sites in the United States. The combination of Eastern and Western Loudoun, of urban growth and historic stability, makes Loudoun County one of the most desirable counties in Northern Virginia for establishing businesses and residencies.

## **FINANCIAL SECTION**

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## **INDEPENDENT AUDITORS' REPORT**



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KPMG LLP  
2001 M Street, NW  
Washington, DC 20036

## Independent Auditors' Report

The Board of Supervisors  
County of Loudoun, Virginia:

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Loudoun, Virginia (the County), as of and for the year ended June 30, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County of Loudoun's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia (specifications). Those standards and specifications require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 13 through 19, and the budgetary comparison schedule and pension schedules on pages 51 through 54 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2004 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as introductory section, other supplementary information, and statistical section in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The information included in the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

KPMG LLP

October 29, 2004

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**





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**COUNTY OF LOUDOUN, VIRGINIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**June 30, 2004**

The following discussion and analysis of the County of Loudoun's (the County) financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2004. Please read it in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS FOR FY 2004**

The General Fund, on a current financial resource basis, reported revenues in excess of expenditures and other financing sources and uses of \$31.1 million (Exhibit V).

On a government-wide basis for governmental activities, the County had expenses net of program revenues of \$609.8 million, which were \$29.1 million more than the general revenues of \$580.7 million (Exhibit II).

The County's total net assets excluding the component unit, on the government-wide basis, totaled (\$196.6) million (Exhibit I) at June 30, 2004. The negative net assets of the County is due primarily to the capital assets of the Component Unit-Schools being financed with bonds issued by the County.

On July 08, 2003, the County sold \$14.075 million in general obligation refunding bonds at a true interest cost of 3.03%. The tax-exempt bonds, which will mature incrementally over the next 9 years, will be used to advance refund certain maturities of the Series 1993A general obligation bonds.

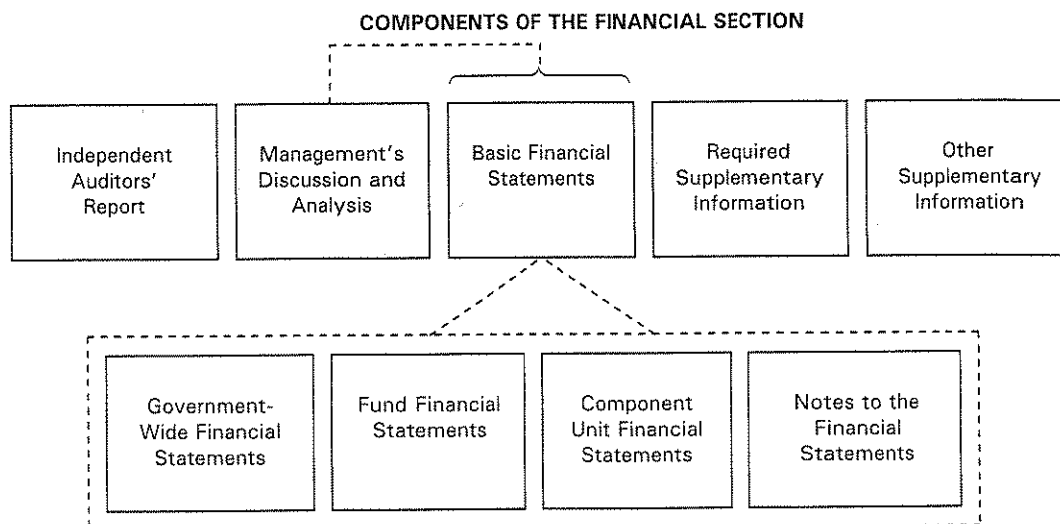
On December 4, 2003, the County, through the Industrial Development Authority of Loudoun County, sold \$35.0 million in public facility lease revenue refunding bonds at a true interest cost of 4.20%. The tax-exempt bonds, which will mature incrementally over the next 20 years, will be used to finance the construction of public safety facilities.

On December 17, 2003, the County entered into a lease purchase agreement in the amount of \$3,726,000 at an interest rate of 3.542%. The lease will be in effect through 2012 and will be used to finance the purchase of transit buses to be used in the County.

On May 26, 2004, the County sold \$111.0 million in general obligation bonds at a true interest cost of 4.34%. The tax-exempt bonds, which will mature incrementally over the next 20 years, will be used to finance public improvements, including approximately 90% for school facilities.

**USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT**

This Comprehensive Annual Financial Report consists of three sections: introductory, financial, and statistical. As the following chart shows, the financial section of this report has five components – *independent auditors' report*, *management's discussion and analysis* (this section), *the basic financial statements*, *required supplementary information*, and *other supplementary information*.



The County's financial statements present two kinds of statements, each with a different snapshot of the County's finances. The focus of the financial statements is on both the County as a whole (government-wide) and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the County's overall financial status. The fund financial statements provide information on a current financial resource basis only and focus on the individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. Both perspectives (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison (year to year or government to government) and enhance the County's accountability.

## GOVERNMENT-WIDE STATEMENTS

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which are the government-wide statements, report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net assets and changes in them. One can think of the County's net assets – the difference between assets and liabilities – as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net assets are one indicator of whether its financial health is improving or deteriorating. Other nonfinancial factors will need to be considered, however, such as changes in the County's property tax base and the condition of the County's roads, to assess the overall health of the County.

In the Statement of Net Assets and the Statement of Activities, we divide the County into the following:

Governmental activities – All of the County's basic services are reported here: Public safety (law enforcement and traffic control, fire and rescue services, corrections and detention, and inspections); health and welfare (health, mental health and mental retardation, and social services); education (elementary, secondary, and community college support); parks, recreation and cultural (including libraries and museums); community development (planning, zoning, housing, environmental management, and cooperative extension); limited public works (sanitation and waste removal and maintenance); and general government administration (legislative, general and financial, elections and judicial). Property taxes, other local taxes, and state and federal grants finance most of these activities.

Component unit – The County includes a separate legal entity in its report – the Loudoun County School Board. Although legally separate, the "component unit" is included because the County is financially accountable and provides operating and capital funding for the Loudoun County Public Schools.

## FUND FINANCIAL STATEMENTS

Traditional users of government financial statements find the fund financial statement presentation more familiar. The fund financial statements provide more information about the County's most significant funds – not the County as a whole.

The County has three kinds of funds:

Governmental funds – Most of the County's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided in an accompanying schedule to the governmental funds statement that explains the relationship (or differences) between them.

Proprietary funds – These funds are used to account for operations that are financed in a manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position, and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents.

The County's proprietary fund types consist of the Central Services Fund and the Self-insurance Fund. The operations of these funds are generally intended to be self-supporting.

The Central Services Fund is used to account for the financing of goods or services provided among County departments on a cost-reimbursement basis and includes such activities as central duplicating, telephone, mail, support, and vehicle services. The Self-insurance Fund is used to account for the accumulation of resources to pay for losses incurred by the partial or total retention of risk of loss rather than transferring the risk to a third party through the purchase of commercial insurance, and includes such uninsured risks as health, workers' compensation, and vehicle self-insurance programs.

Fiduciary funds – The County is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that – because of a trust arrangement – can be used only for the trust beneficiary. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

## FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

### Statement of Net Assets:

The following table reflects the condensed Statement of Net Assets (Exhibit I) in comparative format:

**Table 1**  
**Summary Statement of Net Assets**  
**Comparison as of June 30, 2004 and 2003 (thousands)**

	Primary Government			Component Unit-Schools		
	FY 04	FY 03	Increase/ (Decrease)	FY 04	FY 03	Increase/ (Decrease)
Current and Other Assets	\$ 592,094	\$ 490,118	\$ 101,976	\$ 120,837	\$ 134,650	\$ (13,813)
Capital Assets	223,710	215,235	8,475	717,524	589,353	128,171
<b>Total Assets</b>	<b>\$ 815,804</b>	<b>\$ 705,353</b>	<b>\$ 110,451</b>	<b>\$ 838,361</b>	<b>\$ 724,003</b>	<b>\$ 114,358</b>
Other Liabilities	\$ 316,510	\$ 295,986	\$ 20,524	\$ 56,276	\$ 63,513	\$ (7,237)
Long Term Liabilities	695,883	576,827	119,056	22,424	9,589	12,835
<b>Total Liabilities</b>	<b>\$ 1,012,393</b>	<b>\$ 872,813</b>	<b>\$ 139,580</b>	<b>\$ 78,700</b>	<b>\$ 73,102</b>	<b>\$ 5,598</b>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	\$ 105,472	\$ 143,895	\$ (38,423)	\$ 700,535	\$ 574,679	\$ 125,856
Restricted	54,842	6,797	48,045	51,083	52,118	(1,035)
Unrestricted	(356,903)	(318,152)	(38,751)	8,043	24,104	(16,061)
<b>Total Net Assets</b>	<b>\$ (196,589)</b>	<b>\$ (167,460)</b>	<b>\$ (29,129)</b>	<b>\$ 759,661</b>	<b>\$ 650,901</b>	<b>\$ 108,760</b>

This overall decrease in the County's net assets relates to school construction costs financed by the County. Conversely, the overall increase in the School's net assets relates to the construction of new schools during the fiscal year.

The increase in the primary government's Current and Other Assets is due to (1) the increase in cash and investments resulting from the increase in property tax revenue and (2) the increase in cash with fiscal agents resulting from unspent proceeds from the sale of general obligation and lease revenue bonds. The increase in Long Term Liabilities is due to the issuance of general obligation and lease revenue bonds.

## Statement of Activities

The following chart reflects the changes in Net Assets (Exhibit II) in comparative format:

**Table 2**  
**Changes in Net Assets**  
**Comparison for the years ended June 30, 2004 and 2003 (thousands)**

	Primary Government			Component Unit-Schools		
	FY 04	FY 03	Increase/ (Decrease)	FY 04	FY 03	Increase/ (Decrease)
<b>REVENUES</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 45,620	\$ 40,063	\$ 5,557	\$ 10,048	\$ 8,729	\$ 1,319
Operating Grants and Contributions	47,706	45,277	2,429	99,075	86,638	12,437
Capital Grants and Contributions	12,021	1,262	10,759	11,245	5,379	5,866
<b>General Revenues:</b>						
Property Taxes	431,317	372,790	58,527	0	0	0
Other Taxes	91,899	78,188	13,711	0	0	0
Restricted to Specific Programs	51,507	46,489	5,018	0	0	0
Other	5,995	7,281	(1,286)	199	211	(12)
Payment from County	0	0	0	420,165	450,078	(29,913)
<b>Total Revenues</b>	<b>\$ 686,065</b>	<b>\$ 591,350</b>	<b>\$ 94,715</b>	<b>\$ 540,732</b>	<b>\$ 551,035</b>	<b>\$ (10,303)</b>
<b>EXPENSES</b>						
General Government	\$ 34,755	\$ 34,034	\$ 721	\$ 0	\$ 0	\$ 0
Judicial Administration	7,889	7,129	760	0	0	0
Public Safety	78,026	68,837	9,189	0	0	0
Public Works	28,017	21,680	6,337	0	0	0
Health and Welfare	59,265	56,916	2,349	0	0	0
Parks, Recreation and Culture	32,337	28,607	3,730	0	0	0
Community Development	30,861	25,716	5,145	0	0	0
Education	417,371	449,947	(32,576)	431,972	363,093	68,879
Interest and Other Debt Service Charges	26,673	27,947	(1,274)	0	0	0
<b>Total Expenses</b>	<b>\$ 715,194</b>	<b>\$ 720,813</b>	<b>\$ (5,619)</b>	<b>\$ 431,972</b>	<b>\$ 363,093</b>	<b>\$ 68,879</b>
<b>Change in Net Assets</b>	<b>\$ (29,129)</b>	<b>\$ (129,463)</b>	<b>\$ 100,334</b>	<b>\$ 108,760</b>	<b>\$ 187,942</b>	<b>\$ (79,182)</b>
Net Assets Beginning of Year	(167,460)	(37,997)	(129,463)	650,901	462,959	187,942
<b>Net Assets End of Year</b>	<b>\$ (196,589)</b>	<b>\$ (167,460)</b>	<b>\$ (29,129)</b>	<b>\$ 759,661</b>	<b>\$ 650,901</b>	<b>\$ 108,760</b>

## Revenues

For the fiscal year ended June 30, 2004, primary government revenues totaled \$686,065,000, an increase of \$94,715,000 from the prior fiscal year.

Property tax revenue, the County's largest revenue source, increased \$58,527,000 from the prior fiscal year. The increase in property tax revenue is directly attributed to the increase in excess of \$5 billion in assessed value of property in the County, due primarily to growth in residential and commercial construction. Table F in the Statistical Section provides detail on the history of assessed property values. Property tax revenue also includes monies received from the Commonwealth of Virginia for the Personal Property Tax Relief Act of 1998 (PPTRA). Other taxes increased \$13,711,000 from the prior fiscal year with increases in all categories of other taxes: local sales tax, consumer utility tax, business license tax, motor vehicle license tax, taxes on recordation and wills, hotel and motel room taxes, and emergency 911 fees. Capital grants and contributions increased \$10,759,000 from the prior fiscal year. The reduction in other revenue was due to a decrease in interest earnings resulting from an overall reduction in interest rates.

## Expenses

For the fiscal year ended June 30, 2004, expenses for governmental activities total \$715,194,000.

Education continues to be one of the County's highest priorities and commitments. Of the total expenses, \$417,371,000 represents education expenses and the transfer of bond proceeds to schools. Three new schools were opened during the fiscal year. Education expenses in fiscal year 2004 were less than those in the previous fiscal year due to the decrease in the number of new schools opened during the year from six to three. The increase in the remaining expenditure categories is directly attributed to the continuing population growth in the County.

## Financial Analysis of the County's Funds

For the fiscal year ended June 30, 2004, the governmental funds reflect a combined fund balance of \$318,756,543. Of this amount, \$39,211,936 is reserved, \$67,126,446 is designated for fiscal cash liquidity, \$57,512,600 is designated for subsequent years' capital projects, \$37,753,142 is designated for future debt service, and \$117,152,419 is undesignated (refer to Exhibit III).

## General Fund Budgetary Highlights

	Fiscal Year 2004		
	Original Budget	Amended Budget	Actual
<b>Revenues and Transfers In:</b>			
Taxes	\$ 471,691,438	\$ 471,691,438	\$ 504,233,915
Intergovernmental	76,693,362	81,780,149	78,761,608
Other	38,436,009	41,337,731	47,011,528
<b>Total Revenues and Transfers In</b>	<b>\$ 586,820,809</b>	<b>\$ 594,809,318</b>	<b>\$ 630,007,051</b>
<b>Expenditures and Transfers Out</b>			
Expenditures	\$ 223,805,258	\$ 242,163,434	\$ 219,345,515
Transfers	378,941,985	379,741,372	379,586,142
<b>Total Expenditures and Transfers Out</b>	<b>\$ 602,747,243</b>	<b>\$ 621,904,806</b>	<b>\$ 598,931,657</b>
<b>Changes in Fund Balance</b>	<b>\$ (15,926,434)</b>	<b>\$ (27,095,488)</b>	<b>\$ 31,075,394</b>

The final amended budget for revenues and transfers in exceeded the original budget by \$7,988,509. This was due to the anticipation of additional grant funding from the Commonwealth and the federal government. The final amended budget appropriations, which include expenditures and transfers out, exceeded the original budget by \$19,157,563. This was due primarily to the carryover of prior year commitments.

Actual revenues and transfers in exceeded final budget amounts by \$35,197,733, while actual expenditures and transfers out were \$22,973,149 less than final amounts. Highlights of the comparison of final budget to actual figures for the fiscal year ended June 30, 2004, include the following:

- Actual tax revenues exceeded budgeted amounts by \$32,542,477 mostly due to real property, recordation, local sales and use, and business license taxes.
- Actual intergovernmental revenues were \$3,018,541 less than budgeted amounts as a result of a decrease in amounts received from the Commonwealth.
- Actual other revenues were higher than the budgeted amounts primarily due to revenues from permits and licenses, which exceeded budgeted amounts by \$4,316,480 mostly due to an increase in building permits.
- Actual general government administrative expenditures were \$7,635,737 less than budgeted amounts due to cost reduction / cost saving strategies implemented early in the fiscal year.
- Actual expenditures in all other functions of the general government were between \$2,000,000 and \$3,000,000 less than budgeted amounts primarily due to the same cost reduction / cost saving strategies.

### Capital Assets

At the end of fiscal year 2004, the County primary government had invested \$223,710,201 in a variety of capital assets as reflected in the following schedule, which represents a net increase of \$8,474,757. More detailed information on capital assets can be found in Note VII of the notes to the financial statements.

**Table 3**  
**Governmental Funds**  
**Change in Capital Assets**

	Balance At June 30, 2003	Net Additions/Deletions	Balance At June 30, 2004
<b>Capital Assets:</b>			
Land	\$ 64,681,137	\$ (4,888,900)	\$ 59,792,237
Buildings	87,453,513	8,304,781	95,758,294
Improvements Other Than Buildings	12,034,302	8,030	12,042,332
Equipment	66,104,326	14,999,047	81,103,373
Infrastructure	0	384,421	384,421
Construction in Progress	43,581,265	(592,203)	42,989,062
Accumulated Depreciation	(58,619,099)	(9,740,419)	(68,359,518)
<b>Total Capital Assets</b>	<b>\$ 215,235,444</b>	<b>\$ 8,474,757</b>	<b>\$ 223,710,201</b>

The Component Unit-Schools capital assets reflected in the following table totaled \$717,524,210, which represents a net increase of \$117,164,663.

**Schools**  
**Change in Capital Assets**

	Balance At June 30, 2003	Net Additions/Deletions	Balance At June 30, 2004
<b>Capital Assets:</b>			
Land	\$ 28,327,361	\$ 15,220,238	\$ 43,547,599
Buildings	446,702,139	8,729,437	455,431,576
Improvements Other Than Buildings	762,409	0	762,409
Equipment	55,562,970	9,584,464	65,147,434
Construction in Progress	161,676,041	110,306,153	271,982,194
Accumulated Depreciation	(103,677,773)	(15,669,229)	(119,347,002)
<b>Total Capital Assets</b>	<b>\$ 589,353,147</b>	<b>\$ 128,171,063</b>	<b>\$ 717,524,210</b>

During the fiscal year 2005 budget process, Loudoun County adopted a six-year Capital Improvement Program (CIP) that totaled \$1,103,432,000. The fiscal years 2005-2010 plan includes eleven new elementary schools for \$188.5 million, renovation of five existing elementary schools for \$68.0 million, three new middle schools for \$95.7 million, renovation of existing middle schools for \$36.9 million, three new high schools for \$183.9 million, renovation of an existing high school and ball field lighting for \$18.6 million. Other capital projects include the Dulles Corridor Rapid Transit System for \$159.8 million, a land acquisition fund for \$68.6 million, general government office expansion for \$43.2 million, other governmental administration projects of \$32.6 million, public safety capital improvements of \$119.0 million, health and welfare capital improvements of \$22.6 million, parks, recreation and cultural capital improvements of \$63.0 million, and community development capital projects of \$3.0 million.

### Long Term Debt

On July 08, 2003 and May 26, 2004, the County issued \$14,075,000 and \$111,000,000, respectively, in general obligation bonds to aid in financing both general government and school capital projects and to advance refund certain maturities of existing general obligation bonds. At the end of fiscal year 2004, the County had \$632,757,090 in outstanding general obligation bonds and loans. This represents a net increase of \$66,946,804 from last year. More detailed information on long term debt can be found in Note XI of the notes to the financial statements.

In fiscal year 2004, Moody's Investors Services, Inc. upgraded the County's bond rating to Aaa, the highest rating available, while Standard and Poor's (S&P) and Fitch Credit Rating Services reaffirmed the County's AA+ bond ratings.

#### **Economic Factors**

Loudoun County's economic and demographic conditions reflect and are dependent upon the prevailing conditions of the Washington DC region. While much of the United States has experienced real economic downturn over the past 24 months, the Washington area has continued to be one of the strongest regional economies. Regional forecasts predict continued job creation in the region, especially with the emphasis on "homeland security" and national defense. As a result, Loudoun County should continue to experience high rates of residential new construction and some increase in commercial/industrial construction. While the residential element will remain at the level experienced in the 1998-2001 period, commercial construction will not be nearly as robust as recently experienced.

#### **Contacting The County's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. In future years, a comparative analysis of government-wide data will be presented. Questions concerning this report or requests for additional financial information should be directed to Paul N. Arnett, Comptroller, County of Loudoun, Virginia, P.O. Box 7000, Leesburg, VA 20177-7000. The telephone number is (703) 777-0290 and the County's web site is at [www.loudoun.gov](http://www.loudoun.gov).





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## **BASIC FINANCIAL STATEMENTS**



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**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF NET ASSETS**  
**AS OF JUNE 30, 2004**

	Primary Government Governmental Activities	Component Unit School Board	Total Reporting Entity
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 243,354,050	\$ 63,102,981	\$ 306,457,031
Cash and Investments with Fiscal Agents	92,200,683	50,955,101	143,155,784
Receivables, Net:			
Taxes:			
Delinquent	22,155,565	-	22,155,565
Not Yet Due	210,746,759	-	210,746,759
Accounts	2,275,781	301,419	2,577,200
Due from Other Governments	16,040,732	6,140,773	22,181,505
Advances to Employees	42,475	41	42,516
Inventory of Supplies	361,956	300,583	662,539
Prepaid Items	1,159,369	35,890	1,195,259
Notes and Loans receivable, Net	3,755,973	-	3,755,973
Capital Assets:			
Non-depreciable	102,781,299	315,529,793	418,311,092
Depreciable, Net	120,928,902	401,994,417	522,923,319
Capital Assets, Net	<u>223,710,201</u>	<u>717,524,210</u>	<u>941,234,411</u>
<b>Total Assets</b>	<u><b>815,803,544</b></u>	<u><b>838,360,998</b></u>	<u><b>1,654,164,542</b></u>
<b>LIABILITIES</b>			
Accounts Payable	12,277,283	24,627,515	36,904,798
Accrued Interest Payable	7,794,788	353,424	8,148,212
Accrued Liabilities	4,861,224	24,777,240	29,638,464
Prepaid Revenue	1,514,662	-	1,514,662
Deferred Revenue:			
Property Taxes Not Yet Due	210,746,759	-	210,746,759
Other	10,744,344	365,988	11,110,332
Other Liabilities	5,569,983	14,867	5,584,850
Long-term Liabilities:			
Due Within One Year:			
Compensated Absences	719,636	837,100	1,556,736
Claims Liabilities	7,955,661	-	7,955,661
Bonds Payable	50,505,069	-	50,505,069
Bonds Premium	2,266,115	-	2,266,115
Leases Payable	1,553,993	5,299,948	6,853,941
Due in More Than One Year:			
Compensated Absences	10,745,250	10,734,749	21,479,999
Claims Liabilities	2,052,451	-	2,052,451
Landfill Closure and Postclosure Care Costs	20,746,587	-	20,746,587
Bonds Payable	582,252,021	-	582,252,021
Bonds Premium	19,168,135	-	19,168,135
Leases Payable	60,918,397	11,689,563	72,607,960
<b>Total Liabilities</b>	<u><b>1,012,392,358</b></u>	<u><b>78,700,394</b></u>	<u><b>1,091,092,752</b></u>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	105,472,470	700,534,699	207,581,170 A
Restricted for:			
Capital Projects	54,797,123	50,937,315	105,734,438
Cafeteria Sales	-	144,976	144,976
Permanent Fund-Expendable	9,065	-	9,065
Permanent Fund-Nonexpendable	35,721	-	35,721
Unrestricted	<u>(356,903,193)</u>	<u>8,043,614</u>	<u>249,566,420 A</u>
<b>Total Net Assets</b>	<u><b>\$ (196,588,814)</b></u>	<u><b>\$ 759,660,604</b></u>	<u><b>\$ 563,071,790</b></u>

A The sum of the columns does not equal the Total Reporting Entity column by a difference of \$598,425,999 because the debt related to the School Board Component Unit is reflected in the primary government's general governmental activities column reducing unrestricted net assets. The assets are reflected in the School Board Component Unit column as invested in Capital Assets, net of related debt. The Total Reporting Entity column matches the asset with the debt and reports the net amount on the Invested in Capital Assets, net of B52 related debt line.

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2004**

Functions/Programs Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total Reporting Entity
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Unit School Board	
<b>Primary Government:</b>							
General Government Administration	\$ 34,754,187	\$ 1,213,779	\$ 3,572,493	\$ -	\$ (29,967,915)		\$ (29,967,915)
Judicial Administration	7,889,021	3,288,923	1,771,181	-	(2,828,917)		(2,828,917)
Public Safety	78,026,587	15,339,644	9,778,224	442,625	(52,466,094)		(52,466,094)
Public Works	28,019,657	4,792,746	5,341,843	-	(17,885,068)		(17,885,068)
Health and Welfare	59,267,082	7,312,049	23,169,107	16,357	(28,769,569)		(28,769,569)
Parks, Recreation and Culture	32,335,276	8,152,858	1,008,634	5,944,000	(17,229,784)		(17,229,784)
Community Development	30,858,711	5,483,940	2,323,228	5,618,300	(17,433,243)		(17,433,243)
Education	417,370,603	36,304	741,102	-	(416,593,197)		(416,593,197)
Interest and other Debt Service Charges	26,673,378	-	-	-	(26,673,378)		(26,673,378)
<b>Total Primary Government</b>	<b>\$ 715,194,502</b>	<b>\$ 45,620,243</b>	<b>\$ 47,705,812</b>	<b>\$ 12,021,282</b>	<b>\$ (609,847,165)</b>		<b>\$ (609,847,165)</b>
<b>Component Unit:</b>							
School Board	\$ 431,972,439	\$ 10,047,853	\$ 99,074,613	\$ 11,245,154		\$ (311,604,819)	\$ (311,604,819)
<b>Total Component Unit</b>	<b>\$ 431,972,439</b>	<b>\$ 10,047,853</b>	<b>\$ 99,074,613</b>	<b>\$ 11,245,154</b>		<b>\$ (311,604,819)</b>	<b>\$ (311,604,819)</b>
<b>General Revenues:</b>							
Taxes:							
Property Taxes, Levied for General Purposes					431,317,420	-	431,317,420
Other Local Taxes					91,898,933	-	91,898,933
Payment from County of Loudoun					-	420,164,995	420,164,995
Interest and Investment Earnings					2,931,188	13,176	2,944,364
Grants and Contributions Not Restricted to Specific Programs					51,507,373	-	51,507,373
Gifts and Donations					2,703,631	-	2,703,631
Miscellaneous					359,772	185,776	545,548
<b>Total General Revenues</b>					<b>580,718,317</b>	<b>420,363,947</b>	<b>1,001,082,264</b>
Change in Net Assets					(29,128,848)	108,759,128	79,630,280
Net Assets at Beginning of Year					(167,459,966)	650,901,476	483,441,510
Net Assets at End of Year					<b>\$ (196,588,814)</b>	<b>\$ 759,660,604</b>	<b>\$ 563,071,790</b>

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2004**

	General	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 98,405,690	\$ 24,964,362	\$ 22,877,634	\$ 75,410,370	\$ 221,658,056
Cash and Investments with Fiscal Agents	61,144	54,797,123	17,753,323	17,753,721	90,365,311
Receivables, Net:					
Taxes:					
Delinquent	22,033,588	-	-	121,977	22,155,565
Not yet due	210,746,759	-	-	-	210,746,759
Accounts	1,111,450	4,881	-	1,082,145	2,198,476
Due from Other Governments	14,594,141	-	-	1,446,591	16,040,732
Due from Other Funds	9,354,249	-	-	-	9,354,249
Advances to Employees	41,133	140	-	179	41,452
Prepaid Items	559,079	10,197	-	589,573	1,158,849
Notes and Loans Receivable, net	3,346,854	-	-	408,970	3,755,824
<b>Total Assets</b>	<b>\$ 360,254,087</b>	<b>\$ 79,776,703</b>	<b>\$ 40,630,957</b>	<b>\$ 96,813,526</b>	<b>\$ 577,475,273</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 3,665,029	\$ 1,798,834	\$ 150	\$ 4,082,596	\$ 9,546,609
Accrued Liabilities	4,661,408	-	-	145,036	4,806,444
Prepaid Revenue	1,496,866	-	-	17,796	1,514,662
Deferred Revenue:					
Property Taxes Not Yet Due	210,746,759	-	-	-	210,746,759
Property Taxes	5,460,431	-	-	121,977	5,582,408
Other	10,102,518	-	-	1,507,202	11,609,720
Due to Other Funds	-	-	98,375	9,243,770	9,342,145
Other Liabilities	5,025,441	-	279,290	265,252	5,569,983
<b>Total Liabilities</b>	<b>241,158,452</b>	<b>1,798,834</b>	<b>377,815</b>	<b>15,383,629</b>	<b>258,718,730</b>
Fund Balances:					
Reserved for:					
Prepaid Items	559,079	10,197	-	589,573	1,158,849
Encumbrances	7,313,436	25,671,467	-	1,267,574	34,252,477
Notes and Loans Receivable	3,346,854	-	-	408,970	3,755,824
Permanent Fund - Expendable	-	-	-	9,065	9,065
Permanent Fund - Nonexpendable	-	-	-	35,721	35,721
Unreserved, reported in:					
General Fund:					
Designated for Fiscal Cash Liquidity	63,916,446	-	-	-	63,916,446
Designated for Future Capital Projects	575,366	-	-	-	575,366
Undesignated	43,384,454	-	-	-	43,384,454
Special Revenue Funds:					
Designated for Fiscal Cash Liquidity	-	-	-	710,000	710,000
Undesignated	-	-	-	73,767,965	73,767,965
Capital Projects Funds:					
Designated for Capital Appropriations	-	52,296,205	-	4,641,029	56,937,234
Debt Service Fund:					
Designated for Fiscal Cash Liquidity	-	-	2,500,000	-	2,500,000
Designated for Future Debt Service	-	-	37,753,142	-	37,753,142
<b>Total Fund Balances</b>	<b>119,095,635</b>	<b>77,977,869</b>	<b>40,253,142</b>	<b>81,429,897</b>	<b>318,756,543</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 360,254,087</b>	<b>\$ 79,776,703</b>	<b>\$ 40,630,957</b>	<b>\$ 96,813,526</b>	<b>\$ 577,475,273</b>

COUNTY OF LOUDOUN, VIRGINIA  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS FUND BALANCE  
 TO THE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES NET DEFICIT  
 AS OF JUNE 30, 2004

Fund balances - total governmental funds \$ 318,756,543

Amounts reported for governmental activities in the Statement of Net Assets (Exhibit I) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	266,262,932	
Less accumulated depreciation	<u>(52,988,226)</u>	213,274,706

Delinquent taxes and other long-term assets not available to pay for current period expenditures are deferred in the governmental funds.

6,447,784

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Compensated absences	(11,464,886)	
Landfill closure and postclosure care costs	(20,746,587)	
Governmental bonds payable	(632,757,090)	
Governmental leases payable	(62,472,390)	
Unamortized bond premium	<u>(21,434,250)</u>	(748,875,203)

Interest on long-term liabilities is not accrued in the governmental funds, but is rather recognized as an expenditures when due.

(7,794,788)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Assets.

21,602,144

Net Deficit of Governmental Activities

\$ (196,588,814)



**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	General	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
General Property Taxes	\$ 424,632,360	\$ -	\$ -	\$ 9,107,323	\$ 433,739,683
Other Local Taxes	79,601,555	-	-	12,555,558	92,157,113
Permits and Licenses	17,779,983	-	-	-	17,779,983
Intergovernmental	78,761,608	5,552,598	-	12,698,885	97,013,091
Charges for Services	16,900,254	600	-	25,095	16,925,949
Fines and Forfeitures	1,688,132	-	-	-	1,688,132
Use of Money and Property	2,249,291	-	978,024	727,336	3,954,651
Recovered Costs	5,540,171	8,347	-	830,413	6,378,931
Gifts and Donations	460,609	425,845	-	10,001,253	10,887,707
Miscellaneous	1,323,341	-	-	602,036	1,925,377
<b>Total Revenues</b>	<b>628,937,304</b>	<b>5,987,390</b>	<b>978,024</b>	<b>46,547,899</b>	<b>682,450,617</b>
<b>EXPENDITURES</b>					
Current Operating:					
General Government Administration	33,755,811	-	-	-	33,755,811
Judicial Administration	7,564,006	-	-	40,013	7,604,019
Public Safety	68,774,123	-	-	6,792,922	75,567,045
Public Works	15,929,598	1,314,047	-	6,905,700	24,149,345
Health and Welfare	44,413,343	-	-	14,268,401	58,681,744
Parks, Recreation and Culture	28,748,739	-	-	1,453,153	30,201,892
Community Development	20,159,895	-	-	10,561,674	30,721,569
Education and Transfers to School Board, net	318,322,543	-	90,565,287	3,150	408,890,980
Capital Outlay	-	17,673,644	-	269,298	17,942,942
Debt service:					
Principal Payments	-	-	44,453,610	93,196	44,546,806
Interest and Service Charges	-	-	28,725,739	12,342	28,738,081
<b>Total Expenditures</b>	<b>537,668,058</b>	<b>18,987,691</b>	<b>163,744,636</b>	<b>40,399,849</b>	<b>760,800,234</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>91,269,246</b>	<b>(13,000,301)</b>	<b>(162,766,612)</b>	<b>6,148,050</b>	<b>(78,349,617)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	949,125	6,878,236	59,263,043	6,166,774	73,257,178
Transfers (Out)	(61,263,599)	-	(11,500,000)	(2,241,767)	(75,005,366)
Issuance Premium	-	-	8,433,093	-	8,433,093
Proceeds from Sale of Bonds	-	-	125,626,034	-	125,626,034
Payments to Refunded Bond Escrow Agent	-	-	(14,075,000)	-	(14,075,000)
Proceeds from Capital Lease	-	38,726,000	-	-	38,726,000
Sales of Capital Assets	120,622	-	-	-	120,622
<b>Total Other Financing Sources (Uses)</b>	<b>(60,193,852)</b>	<b>45,604,236</b>	<b>167,747,170</b>	<b>3,925,007</b>	<b>157,082,561</b>
<b>Net Change in Fund Balances</b>	<b>31,075,394</b>	<b>32,603,935</b>	<b>4,980,558</b>	<b>10,073,057</b>	<b>78,732,944</b>
<b>Fund Balances at Beginning of Year</b>	<b>88,020,241</b>	<b>45,373,934</b>	<b>35,272,584</b>	<b>71,356,840</b>	<b>240,023,599</b>
<b>Fund Balances at End of Year</b>	<b>\$ 119,095,635</b>	<b>\$ 77,977,869</b>	<b>\$ 40,253,142</b>	<b>\$ 81,429,897</b>	<b>\$ 318,756,543</b>

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA  
**RECONCILIATION OF CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2004**

Net change in fund balances - total governmental funds \$ 78,732,944

Amounts reported for governmental activities in the Statement of Net Assets (Exhibit II) are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.

Expenditures for capital assets	20,894,965	
Less current year depreciation	<u>(7,718,721)</u>	13,176,244

In the Statement of Activities, only the gain (loss) on capital assets is reported while in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital asset.

(76,370)

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.

6,037,300

Donations of capital assets to Component Unit decreases net assets in the statement of activities, but do not appear in the governmental funds because they are not financial uses.

(11,006,400)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Change in deferred revenue related to taxes		(2,422,263)
---	--	-------------

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Principal payments	44,546,806	
Net debt proceeds	(157,939,093)	
Current year amortization of bond premium	<u>1,724,264</u>	(111,668,023)

Expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in compensated absences liability	(1,343,904)	
Change in landfill closure/post-closure liability	(3,208,053)	
Change in accrued interest liability	<u>(430,595)</u>	(4,982,552)

Internal service funds are used by management to charge the costs of certain services to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.

3,080,272

Change in Net Assets of Governmental Activities

\$ (29,128,848)

COUNTY OF LOUDOUN, VIRGINIA  
STATEMENT OF NET ASSETS  
PROPRIETARY - INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2004

**ASSETS**

## Current Assets:

Cash and Cash Equivalents	\$ 21,695,994
Cash and Investments with Fiscal Agents	1,835,372
Receivables, Net	77,305
Advances to Employees	1,172
Inventory of Supplies	361,956
Prepaid Items	520
Total Current Assets	<u>23,972,319</u>

## Noncurrent Assets:

## Capital Assets:

Depreciable, Net	10,435,495
Total Noncurrent Assets	<u>10,435,495</u>
<b>Total Assets</b>	<u><u>34,407,814</u></u>

**LIABILITIES**

## Current Liabilities:

Accounts Payable	2,730,674
Due to Other Funds	12,104
Claims Liabilities	7,955,661
Accrued Liabilities	54,780
Total Current Liabilities	<u>10,753,219</u>

## Noncurrent Liabilities:

Claims Liabilities	2,052,451
Total Noncurrent Liabilities	<u>2,052,451</u>
<b>Total Liabilities</b>	<u><u>12,805,670</u></u>

**NET ASSETS**

Invested in Capital Assets, Net of Related Debt	10,435,495
Unrestricted	11,166,649
<b>Total Net Assets</b>	<u><u>\$ 21,602,144</u></u>

COUNTY OF LOUDOUN, VIRGINIA  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
 PROPRIETARY - INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2004

<b>Operating Revenues:</b>	
Charges for Services - Primary Government	\$ 20,467,213
Charges for Services - Component Unit	48,465,667
Use of Property	92,060
<b>Total Operating Revenues</b>	<u>69,024,940</u>
<b>Operating Expenses:</b>	
Claims	44,653,794
Personnel Services	2,798,395
Other Services and Charges	12,743,820
Materials and Supplies	4,053,383
Depreciation	3,464,172
<b>Total Operating Expenses</b>	<u>67,713,564</u>
<b>Operating Income</b>	1,311,376
<b>Non-Operating Revenues:</b>	
Gain on Sale of Capital Assets	<u>20,708</u>
<b>Net Income Before Operating Transfers</b>	1,332,084
Transfers In	<u>1,748,188</u>
<b>Change in Net Assets</b>	3,080,272
<b>Net Assets at Beginning of Year</b>	18,521,872
<b>Net Assets at End of Year</b>	<u><u>\$ 21,602,144</u></u>

COUNTY OF LOUDOUN, VIRGINIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY - INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2004

<b>Cash Flows from Operating Activities</b>	
Receipts from Customers	\$ 68,972,488
Payments to Suppliers for Goods and Services	(16,762,824)
Claims Paid	(41,786,175)
Payments to Employees	(2,761,758)
<b>Net Cash Provided by Operating Activities</b>	<u>7,661,731</u>
<b>Cash Flows from Noncapital Financing Activities:</b>	
Transfers In	1,748,188
<b>Net Cash Flows Provided by Noncapital Financing Activities</b>	<u>1,748,188</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Additions to Capital Assets	(3,907,128)
Proceeds from Sale of Capital Assets	119,681
<b>Net Cash Flows Used in Capital and Related Financing Activities</b>	<u>(3,787,447)</u>
<b>Net Increase in Cash and Cash Equipvalents</b>	5,622,472
Cash and Cash Equipvalents (including those held with Fiscal Agents) at Beginning of Year	17,908,894
<b>Cash and Cash Equipvalents (including those held with Fiscal Agents) at End of Year</b>	<u>\$ 23,531,366</u>
 <b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating Income	<u>\$ 1,311,376</u>
<b>Adjustment Not Affecting Cash:</b>	
Depreciation	3,464,172
<b>(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:</b>	
Receivable, Net	(52,152)
Advances to Employees	(300)
Inventory of Supplies	47,400
Accounts Payable	52,480
Due to Other Funds	(65,501)
Accrued Liabilities	36,637
Claims Liabilities	2,867,619
<b>Total Adjustments</b>	<u>6,350,355</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 7,661,731</u>

See accompanying notes to the financial statements.



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COUNTY OF LOUDOUN, VIRGINIA  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
AS OF JUNE 30, 2004

	Volunteer Fire and Rescue Fund	Private Purpose Trust Funds	Agency Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ -	\$ 8,215	\$ 15,944,768
Cash and Investments with Fiscal Agents	9,165,002	-	-
<b>Total Assets</b>	<u>\$ 9,165,002</u>	<u>\$ 8,215</u>	<u>\$ 15,944,768</u>
<b>LIABILITIES</b>			
Accounts Payable and Funds Held in Trust for Others	\$ -	\$ -	\$ 15,944,768
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,944,768</u>
<b>NET ASSETS</b>			
Held in Trust for Pension Benefits and Other Purposes	<u>\$ 9,165,002</u>	<u>\$ 8,215</u>	

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA  
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2004

	Volunteer Fire and Rescue Fund	Private Purpose Trust Funds
ADDITIONS		
Employer Contributions - Annual Required Contribution	\$ 735,081	\$ -
Employer Contributions - Administrative Fees	11,751	-
Investment Earnings - Interest	450,132	83
Total Additions	<u>1,196,964</u>	<u>83</u>
DEDUCTIONS		
Benefits	241,174	-
Administrative Expense	11,751	-
Total Deductions	<u>252,925</u>	<u>-</u>
Change in Net Assets	944,039	83
Net Assets at Beginning of Year	8,220,963	8,132
Net Assets at End of Year	<u>\$ 9,165,002</u>	<u>\$ 8,215</u>

See accompanying notes to the financial statements.



**COUNTY OF LOUDOUN, VIRGINIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2004**

**NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the County of Loudoun, Virginia (the County), have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies of the County are described below.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**(A) REPORTING ENTITY**

The County is a political subdivision of the Commonwealth of Virginia (the State), governed by a nine member elected Board of Supervisors and an appointed County Administrator. As required by GAAP, the financial statements present the government (the Primary Government) and its component unit, the Loudoun County Public School System (the Schools). The County of Loudoun, Virginia, reporting entity is determined upon the evaluation of certain criteria established by GASB.

Component Units - Component Units are entities for which the primary government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The County has no component units that meet the requirements for blending. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide statements to emphasize they are legally separate from the government. The Loudoun County School Board, described below, is the only component unit of the County.

The Loudoun County School Board - The Schools are responsible for elementary and secondary education within the County's jurisdiction. Members of the Schools' governing board (the School Board) are elected. They were most recently elected in November 2003 and assumed their responsibilities on January 1, 2004. The Schools are fiscally dependent upon the County because the County's Board of Supervisors approves the School's budget, levies taxes (if necessary), and issues bonds for School capital projects and improvements. The Schools do not issue separate financial statements.

**(B) BASIS OF PRESENTATION**

These financial statements are prepared in accordance with the requirements of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis* - for State and Local Governments, also known as the "Reporting Model" statement.

Management's Discussion and Analysis - The financial statements are accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis" (MD&A). This analysis is similar to the analysis private sector companies provide in their annual reports.

Government-wide Financial Statements - The financial statements are prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt). Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter.

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all nonfiduciary activities of the primary government and its component units. *Governmental Activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from legally separate *component units* for which the primary government is financially accountable.

Statement of Net Assets - The Statement of Net Assets displays the financial position of the primary government and its discretely presented component units. Governments report all capital assets in the government-wide Statement of Net Assets and report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net assets of a government are broken down into three categories: 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

Statement of Activities – The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The County does not allocate indirect expenses to the governmental functions.

Fund Financial Statements - Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- General Fund – This fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted in another fund.
- Capital Projects Fund - This fund is used to account for the purchase and/or construction of major capital facilities, including buildings, land, major equipment and other long-lived improvements for the general government. Financing is provided primarily by bond issues, State and Federal grants, and transfers from the General fund.
- Debt Service Fund – This fund is used to account for the resources accumulated and payments made for principal, interest, and related costs on long-term general obligation debt of governmental funds.

All other nonmajor governmental funds are reported in a single column captioned "Other Governmental Funds" and consist of special revenue funds, a capital asset replacement fund, and permanent funds.

Proprietary funds are used to account for operations that are financed in a manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position, and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents. The County's proprietary funds consist solely of its internal service funds (the Central Services Fund and the Self-Insurance Fund). These funds are included in the governmental activities for government-wide reporting purposes. All significant interfund activity has been eliminated. The excess revenue or expenses for these funds are allocated to the appropriate functional activity. The operations of these funds are generally intended to be self-supporting.

The government reports the following proprietary funds:

- Central Services Fund – This fund is used to account for the financing of goods or services provided among County departments on a cost-reimbursement basis and includes such activities as central duplicating, telephone, mail, support, and fleet management services.
- Self Insurance Fund – This fund is used to account for the accumulation of resources to pay for losses incurred by the partial or total retention of loss rather than transferring that risk to a third party through the purchase of commercial insurance, and includes such uninsured risks as health, workers' compensation, and vehicle self-insurance programs.

Additionally, the government reports the following Fiduciary funds:

- Pension Trust Fund – This fund is used to account for the activities of the Public Safety Employees Retirement System, which accumulates resources for pension benefit payments to qualified public safety employees.
- Private-purpose Trust Funds - These funds are used to account for the assets received and disbursed by the County acting in a trustee capacity or as an agent for individuals, private organizations or governments.
- Agency Funds – These funds are used to account for monies received, held and disbursed on behalf of certain welfare recipients, certain developers, certain employee benefits, and certain inmates at the time of incarceration.

In accordance with the provisions of GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, (GASB No. 20) the County continues to apply all applicable GASB pronouncements and has elected to apply only those Financial Accounting Standards Board Statements and Interpretations, APB Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes.

Amounts reported as *program revenue* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's internal service funds are charges to the County departments on a cost-reimbursement basis for goods or services provided, and include such activities as central duplicating, telephone, mail, support, and fleet management services. Operating expenses for internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgetary Comparison Schedules – Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Governments provide budgetary comparison information in their annual reports, including the government's original budget to the comparison of final budget and actual results. The County's budgetary comparison schedules are reported as required supplementary information following the notes to the financial statements.

#### (C) MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Basis of accounting refers to the timing when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Agency funds within fiduciary fund financial statements are reported using the accrual basis of accounting. However, there is no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are accounted for using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they become both measurable and available. Accordingly, real and personal property taxes are recorded as deferred revenues and property taxes receivable when billed, net of allowances for uncollectible amounts of \$0 as of June 30, 2004. Real and personal property taxes recorded at June 30, and received within the first 60 days after year-end are included in tax revenues, with the related amount reduced from deferred revenues. Sales and utility taxes, which are collected by the Commonwealth of Virginia or utility companies and subsequently remitted to the County, are recognized as revenues and amounts receivable when the underlying exchange transaction occurs, which is generally one to two months preceding receipt by the County. Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of Federal, State and other grants for the purpose of specific programs are recognized when earned or at the time of the specific reimbursable expenditure. Revenues from general purpose grants are recognized during the period to which the grants apply. Expenditures are recognized when the related fund liability is incurred, except for principal and interest on long-term debt, which is recognized when due.

The property tax calendar is as follows:

	<u>Real Property</u>	<u>Personal Property</u>
Lien Date	Jan 5/Jul 5	Nov 5/Jun 5
Assessment Date	Jan 1	Jan 1
Levy Date	Apr 1	Mar 1
Due Date and Collection Date	Jun 5/Dec 5	Oct 5/May 5

#### (D) BUDGETS

Budgets are prepared and adopted on a basis consistent with GAAP. Annual appropriation resolutions and budgets are adopted for the Primary Government's General, Special Revenue, and Debt Service Funds and the School's Operating and Debt Service Funds. The proposed budget also includes a recommended program of capital expenditures to be financed from current operations and a separate six-year capital improvement plan. All annual appropriations lapse at fiscal year-end with the exception of the Capital Project Funds, for which project-length budgets are adopted.

Encumbrances represent goods or services that have been contracted and are funded, however, these goods or services have not been received or performed. Encumbrances do not constitute an expenditure. The budget of any funds encumbered at the end of the fiscal year carries over into the next fiscal year.

(E) CASH AND TEMPORARY INVESTMENTS

Within cash and temporary investments the County includes amounts in demand deposits as well as short-term investments with a maturity date generally within three months of the date acquired by the County.

In accordance with the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools ("GASB No. 31"), investments are stated at fair value.

For the Capital Projects and Debt Service Funds, interest income on cash held with fiscal agents and trustees is recorded within these respective funds.

The County records short-term investments at cost, which approximates fair value.

All interest is credited to the General Fund, unless law or Board of Supervisors Action requires allocation. Allocation, when required, is based on the monthly interest rate earned on funds invested with the Local Government Investment Pool (LGIP).

(F) RECEIVABLES AND PAYABLES

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

(G) INVENTORIES OF SUPPLIES

Inventories are valued at the lower of cost or market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed.

(H) PREPAID ITEMS

Prepaid items are payments made to vendors for services that will benefit periods after June 30, 2004.

(I) NONCURRENT NOTES AND LOANS RECEIVABLE

Noncurrent portions of long-term notes and loans receivables, net of allowances, are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources, therefore, are not available for appropriation.

(J) CAPITAL ASSETS

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than \$2,500 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The County does not have any infrastructure to be included in the financial statements, as substantially all such assets are owned by the Commonwealth of Virginia.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the School Board, is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	45
Building Improvements	15-25
Vehicles	5
Office Equipment	5-10
Computer Equipment	5

(K) COMPENSATED ABSENCES

1. Primary Government Employees - In 1994, the Primary Government adopted a policy under which employees can accumulate and be paid-out upon employment separation, a maximum of 364 hours of earned but unused annual (vacation) leave. Employees with accrued balances in excess of 364 hours may utilize their accumulated balances in excess of 364 hours prior to December 31. Annual leave hours accrued in excess of 364 hours by each employee during each year are calculated at December 31, with the Primary Government converting those excess hours into additional sick leave hours. As of June 30, 2004, a vacation liability of \$8,934,220, has been recorded, representing the Primary Government's commitment to pay such costs in future periods.

In 2004, the Primary Government adopted a policy under which non-exempt employees will receive payment at year-end for unused exchange time, with the exception of exchange time earned during the last two full pay periods of the leave year, which will carryover to the following year. Non-exempt employees will receive payment of all exchange time leave balances upon separation from County employment. As of June 30, 2004, an exchange time liability of \$171,276, has been recorded, representing the Primary Government's commitment to pay such costs in future periods.

Effective July 1, 2001, employees with 10 years of service are compensated for unused sick leave when they leave County employment. Employees meeting this criteria will be compensated for 25% of unused sick leave to a maximum amount of \$10,000 per individual. As of June 30, 2004, a liability of \$2,359,390 was recorded on the County's statement of net assets (Exhibit I).

2. School System Employees - School employees, other than teachers, are allowed to accumulate a maximum of 480 hours of vacation leave, which will be paid-out upon employment separation. Teachers do not accumulate annual leave. Additionally, all School employees with ten or more years of service are compensated for a portion of earned, but unused sick leave upon employment separation to a maximum amount of \$10,125 per individual. At June 30, 2004, a liability of \$11,571,849 has been reflected for vacation and sick leave, which employees have accumulated and may be paid upon employment separation.

(L) LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or proprietary fund statement of net assets. Bond premiums are deferred and amortized over the life of the bonds, using the proportionate to stated interest requirements method.

In the fund financial statements, governmental funds recognize bond premiums during the current period. The face amount of debt issues is reported as other financing sources. Premiums received on debt issuances are also reported as other financing sources.

(M) FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**NOTE II – LEGAL COMPLIANCE – FUND DEFICITS**

As of June 30, 2004, the following funds had deficit fund balances:

- Route 28 Special Improvements Fund – Deficit fund balance of \$10,169 is due to prepaid revenue (2<sup>nd</sup> half 2004 taxes) that was collected and remitted to the Commonwealth of Virginia.
- Community Development Fund – Deficit fund balance of \$12,169 will be eliminated through the scheduled payments of the Community Development Block Grant loans.
- Legal Resource Center Fund - Deficit fund balance of \$4,108 is due to a revenue short fall in fiscal year 2004. Steps have been taken in fiscal year 2005 to correct this shortfall and eliminate the deficit.
- Hotel and Motel Room Tax Fund – Deficit fund balance of \$124,288 is due to a revenue short fall in fiscal year 2004. Steps have been taken in fiscal year 2005 to correct this shortfall and eliminate the deficit.

### NOTE III - BANK DEPOSITS AND INVESTMENTS

**Bank Deposits:** At year-end, the carrying value of the County's deposits with banks and savings institutions (which relate to checks that have been written and not cleared) was (\$12,249,246) and the bank balance was \$1,082,680. All bank balances during the year were covered by federal depository insurance or collateralized in accordance with the Virginia Security for Public Deposits Act (the Act). Under the Act, banks holding public deposits in excess of the amounts insured by the Federal Deposit Insurance Corporation (FDIC) must pledge collateral in the amount of 50% of excess deposits to a collateral pool in the name of the State Treasury Board (the Board). Savings and loan institutions are required to collateralize 100% of deposits in excess of FDIC limits. The deposits collateralized under the Act are considered to be insured. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying local governments of compliance by banks and savings and loan institutions. The carrying amount of deposits for the Component Unit - Schools, was \$3,209,770 and the bank balance was \$3,209,770. All bank balances during the year were covered by federal depository insurance or collateralized in accordance with the Act.

**Investments:** State statutes authorize the County to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), African Development Bank and Asian Development Bank, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, banker's acceptances, repurchase agreements, the State Treasurer's Local Government Investment Pool (LGIP), and the State Treasurer's Non-Arbitrage Program (SNAP).

The County's investments are categorized to give an indication of the level of risk assumed by the entity at year-end.

- Category 1 includes investments that are insured or registered, for which the securities are held by the County or its safekeeping agent in the County's name.
- Category 2 includes uninsured and unregistered investments for which the securities are held by the counter-party's agent or the trust department of a financial institution in the County's name.
- Category 3 includes uninsured and unregistered investments for which the securities are held by the broker, counter-party's agent, or by the trust department of a financial institution, but not in the County's name.

As indicated in the following table, certain investments are not subject to categorization. These investments include those in pools managed by other governments and mutual funds because they are not evidenced by securities that exist in physical or book entry form.

The County invests in an externally managed investment pool, LGIP, that is not SEC-registered. Pursuant to SEC. 2.1-234.7 of the Code of Virginia (1950), as amended, the State Treasury Board sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the State Treasury Board at their regularly scheduled monthly meetings, and the fair value of the position in the LGIP is the same as the value of the pool shares.

The equity in the Northern Virginia Transportation Commission (NVTC) investment pool is also invested in the externally managed investment pool, LGIP, that is described above, and the fair value of the position in the NVTC investment pool is the same as the value of the pool shares.

At year end, the Primary Government's investment and deposit balances, including fiduciary funds balances, were as follows:

<b>Investments Subject to Categorization:</b>	<b>Category</b>			<b>Carrying Value</b>
	<b>1</b>	<b>2</b>	<b>3</b>	
U.S. Government Securities	\$ 62,058,790	\$ 0	\$ 0	\$ 62,058,790
Commercial Paper	68,808,765	0	0	68,808,765
Bankers' Acceptances	16,130,554	0	0	16,130,554
Government Agencies	72,473,447	0	0	72,473,447
Overnight Sweep Investments	0	744,000	0	744,000
<b>Subtotal</b>	<b>\$ 219,471,556</b>	<b>\$ 744,000</b>	<b>\$ 0</b>	<b>\$ 220,215,556</b>
<b>Investments Not Subject to Categorization:</b>				
Investments in State Treasurer's Local Government Investment Pool (LGIP)				50,143,058
Equity in Bond Funds				72,550,445
Equity in NVTC Investment Pool				17,753,721
<b>Total Investments</b>				<b>\$ 360,662,780</b>
Escrow Accounts				11,061,518
Cash on Hand				1,197,666
Total Bank Deposits				(12,249,246)
<b>Total Deposits and Investments</b>				<b>\$ 360,672,718</b>

At year-end, the Schools' investment and deposit balances were as follows:

	Category			Carrying Value
	1	2	3	
<b>Investment Not Subject to Categorization:</b>				
Investment Pool (LGIP)				\$ 59,893,211
Equity in Bond Funds				50,955,101
<b>Total Investments</b>				<b>\$ 110,848,312</b>
Total Bank Deposits				\$ 3,209,770
<b>Total Deposits and Investments</b>				<b>\$ 114,058,082</b>

Due to significantly higher cash flows at certain times during the year, the County's overnight sweep investment (or other authorized investment vehicles), for which the underlying securities were held by the dealer, increased significantly. As a result, the amounts included in Category 3 at those times were significantly higher than at year-end.

#### **NOTE IV – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**

##### **(A) RECEIVABLES**

Receivables at June 30, 2004 are as follows:

	Accounts	Taxes	Due from Other Governments	Total Receivables
<b>Governmental Activities:</b>				
General Fund	\$ 1,111,450	\$ 232,780,347	\$ 14,594,141	\$ 248,485,938
Capital Projects Fund	4,881	0	0	4,881
Other Governmental Funds	1,082,145	121,977	1,446,591	2,650,713
Internal Service Funds	77,305	0	0	77,305
<b>Total Governmental Activities</b>	<b>\$ 2,275,781</b>	<b>\$ 232,902,324</b>	<b>\$ 16,040,732</b>	<b>\$ 251,218,837</b>
<b>Component Unit - Schools</b>	<b>\$ 301,419</b>	<b>\$ 0</b>	<b>\$ 6,140,773</b>	<b>\$ 6,442,192</b>

##### **(B) PAYABLES**

Payables at June 30, 2004 are as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Total Payables
<b>Governmental Activities:</b>				
General Fund	\$ 3,665,029	\$ 4,661,408	\$ 0	\$ 8,326,437
Capital Projects Fund	1,798,834	0	0	1,798,834
Debt Service Fund	150	0	7,794,788	7,794,938
Other Governmental Funds	4,082,596	145,036	0	4,227,632
Internal Service Funds	2,730,674	54,780	0	2,785,454
<b>Total Governmental Activities</b>	<b>\$ 12,277,283</b>	<b>\$ 4,861,224</b>	<b>\$ 7,794,788</b>	<b>\$ 24,933,295</b>
<b>Component Unit - Schools</b>	<b>\$ 24,627,515</b>	<b>\$ 24,777,240</b>	<b>\$ 353,424</b>	<b>\$ 49,758,179</b>

#### **NOTE V – INTERFUND BALANCES**

Due to/from balances represent amounts paid by one entity on behalf of the other entity. Individual interfund balances at June 30, 2004 consist of the following:

DUE FROM	DUE TO General Fund
Hotel and Motel Room Tax Fund	\$ 242,569
Emergency 911 Fund	747,787
Rental Assistance Program Fund	580,709
State and Local Emergency Preparedness Fund	113,715
Transportation District Fund	7,558,990
Debt Service Fund	98,375
Internal Service - Central Services - Central Support Fund	12,104
<b>Total Primary Government</b>	<b>\$ 9,354,249</b>

**NOTE VI – INTERFUND TRANSFERS**

The primary purpose of interfund transfers is to provide funding for operations and capital projects. Interfund transfers for the year ended June 30, 2004 consist of the following:

		General Fund	Debt Service Fund	Nonmajor Governmental	Total
TRANSFER TO	General Fund	\$ 0	\$ 0	\$ 949,125	\$ 949,125
	Capital Projects Fund	(5,380,000)	11,500,000	758,236	6,878,236
	Debt Service Fund	59,263,043	0	0	59,263,043
	Nonmajor Governmental Funds	5,794,334	0	372,440	6,166,774
	Internal Service Funds	1,586,222	0	161,966	1,748,188
	<b>Total Primary Government</b>	<b>\$ 61,263,599</b>	<b>\$ 11,500,000</b>	<b>\$ 2,241,767</b>	<b>\$ 75,005,366</b>

**NOTE VII – CAPITAL ASSETS**

Capital assets activity for the primary government for the year ended June 30, 2004 is as follows:

	Primary Government				
	Balance July 1, 2003	Additions/ Increases	Retirements/ Decreases	Transfer	Balance June 30, 2004
<b>Capital Assets Not Being Depreciated:</b>					
Land	\$ 64,681,137	\$ 6,117,500	\$ 0	\$ (11,006,400)	\$ 59,792,237
Construction in Progress	43,581,265	7,474,771	0	(8,066,974)	42,989,062
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$ 108,262,402</b>	<b>\$ 13,592,271</b>	<b>\$ 0</b>	<b>\$ (19,073,374)</b>	<b>\$ 102,781,299</b>
<b>Other Capital Assets:</b>					
Buildings	\$ 87,453,513	\$ 622,228	\$ 0	\$ 7,682,553	\$ 95,758,294
Improvements Other Than Buildings	12,034,302	8,030	0	0	12,042,332
Equipment	66,104,326	16,616,864	(1,617,817)	0	81,103,373
Infrastructure	0	0	0	384,421	384,421
<b>Total Other Capital Assets</b>	<b>\$ 165,592,141</b>	<b>\$ 17,247,122</b>	<b>\$ (1,617,817)</b>	<b>\$ 8,066,974</b>	<b>\$ 189,288,420</b>
<b>Less Accumulated Depreciation for:</b>					
Buildings	\$ (18,661,377)	\$ (2,175,888)	\$ 0	\$ 0	\$ (20,837,265)
Improvements Other Than Buildings	(5,074,375)	(1,150,028)	0	0	(6,224,403)
Equipment	(34,883,347)	(7,856,977)	1,442,474	0	(41,297,850)
Infrastructure	0	0	0	0	0
<b>Total Accumulated Depreciation</b>	<b>\$ (58,619,099)</b>	<b>\$ (11,182,893)</b>	<b>\$ 1,442,474</b>	<b>\$ 0</b>	<b>\$ (68,359,518)</b>
<b>Other Capital Assets, Net</b>	<b>\$ 106,973,042</b>	<b>\$ 6,064,229</b>	<b>\$ (175,343)</b>	<b>\$ 8,066,974</b>	<b>\$ 120,928,902</b>
<b>Total Capital Assets</b>	<b>\$ 215,235,444</b>	<b>\$ 19,656,500</b>	<b>\$ (175,343)</b>	<b>\$ (11,006,400)</b>	<b>\$ 223,710,201</b>

Primary government capital assets, net of accumulated depreciation, at June 30, 2004 are comprised of the following:

General Capital Assets, Net	\$ 213,274,706
Internal Service Fund Capital Assets, Net	10,435,495
<b>Total Capital Assets, Net</b>	<b>\$ 223,710,201</b>

Depreciation was charged to governmental functions as follows:

General government administration	\$ 5,694,599
Judicial administration	283,907
Public safety	2,002,429
Public works	602,097
Health and welfare	402,903
Parks, recreation and culture	2,112,688
Community development	84,270
<b>Total Depreciation</b>	<b>\$ 11,182,893</b>



Capital asset activity for the Schools for the year ended June 30, 2004 is as follows:

	Component Unit - Schools				
	Balance July 1, 2003	Additions/ Increases	Retirements/ Decreases	Transfer	Balance June 30, 2004
<b>Capital Assets Not Being Depreciated:</b>					
Land	\$ 28,327,361	\$ 4,213,838	\$ 0	\$11,006,400	\$ 43,547,599
Construction in Progress	161,676,041	118,308,732	0	(8,002,579)	271,982,194
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$ 190,003,402</b>	<b>\$ 122,522,570</b>	<b>\$ 0</b>	<b>\$ 3,003,821</b>	<b>\$ 315,529,793</b>
<b>Other Capital Assets:</b>					
Buildings	\$ 446,702,139	\$ 726,858	\$ 0	\$ 8,002,579	\$ 455,431,576
Improvements Other Than Buildings	762,409	0	0	0	762,409
Equipment	55,562,970	11,539,630	(1,955,166)	0	65,147,434
<b>Total Other Capital Assets</b>	<b>\$ 503,027,518</b>	<b>\$ 12,266,488</b>	<b>\$ (1,955,166)</b>	<b>\$ 8,002,579</b>	<b>\$ 521,341,419</b>
<b>Less Accumulated Depreciation for:</b>					
Buildings	\$ (71,304,786)	\$ (9,643,572)	\$ 0	\$ 0	\$ (80,948,358)
Improvements Other Than Buildings	(521,236)	(57,805)	0	0	(579,041)
Equipment	(31,851,751)	(7,755,743)	1,787,891	0	(37,819,603)
<b>Total Accumulated Depreciation</b>	<b>\$ (103,677,773)</b>	<b>\$ (17,457,120)</b>	<b>\$ 1,787,891</b>	<b>\$ 0</b>	<b>\$ (119,347,002)</b>
<b>Other Capital Assets, Net</b>	<b>\$ 399,349,745</b>	<b>\$ (5,190,632)</b>	<b>\$ (167,275)</b>	<b>\$ 8,002,579</b>	<b>\$ 401,994,417</b>
<b>Total Capital Assets</b>	<b>\$ 589,353,147</b>	<b>\$ 117,331,938</b>	<b>\$ (167,275)</b>	<b>\$11,006,400</b>	<b>\$ 717,524,210</b>

All depreciation was charged to education.

Construction in progress and construction commitments are composed of the following:

	Program Authorization	Transferred to Fixed Assets by June 30, 2004	Construction In Progress At June 30, 2004	Construction Commitments At June 30, 2004	Remaining to Be Committed At June 30, 2004
General Government Administration	\$ 56,925,235	\$ 46,622,329	\$ 280,380	\$ 205,100	\$ 9,817,426
Judicial Administration	30,006,356	305,427	28,104,856	570,450	1,025,623
Public Safety	96,028,346	16,751,608	10,045,863	19,218,487	50,012,388
Public Works	29,857,315	19,954,472	13,000	2,105,028	7,784,815
Health and Welfare	2,397,534	350,340	24,830	4,845	2,017,519
Parks, Recreation and Culture	83,180,749	24,172,202	4,520,133	2,218,738	52,269,676
<b>Total Primary Government</b>	<b>\$ 298,395,535</b>	<b>\$ 108,156,378</b>	<b>\$ 42,989,062</b>	<b>\$ 24,322,648</b>	<b>\$ 122,927,447</b>
Education	\$ 907,567,135	\$ 429,240,449	\$ 271,982,194	\$ 83,663,101	\$ 122,681,391
<b>Total Component Unit-Schools</b>	<b>\$ 907,567,135</b>	<b>\$ 429,240,449</b>	<b>\$ 271,982,194</b>	<b>\$ 83,663,101</b>	<b>\$ 122,681,391</b>

#### NOTE VIII - RISK MANAGEMENT

The County General Government's automobile liability, general liability and public officials protection are administered through the Virginia Association of Counties (VACO). These agreements have a \$10 million per occurrence limit. The general liability protections have a \$10 million aggregate limit. Both automobile and general liability policies have a \$100,000 retention. Member jurisdictions contribute to the pool based on their size and past claims experience. The County is also insured for constitutional officers and law-enforcement liability risk through the State Division of Risk Management. These programs have a \$1 million per occurrence limit and insure the County Sheriff's Department, other County enforcement agencies, and all elected constitutional officers and their employees against certain types of claims. Claims that arose from incidents occurring prior to the existence of all the foregoing agreements are covered under the County's previous commercial insurance programs.

In 1989, the County received a Certificate as a Qualified Self-Insurer from the Virginia State Industrial Commission. At that time, the County began to self-insure general government workers' compensation. At the same time, the County purchased excess and employers liability insurance from the Employers Reinsurance Corporation, limiting individual claims against the self-insurance program to \$400,000. A reserve for pending claims and incurred but not reported claims has been accrued as a liability within the self-insurance funds as an estimate based on information received from the County's outside actuary, AON.

The County General Government and Component Unit-Schools contract with a third party administrator to adjust workers' compensation claims, provide underwriting services, and recommend reserve levels, including claims reported but not settled. Claims not closed out at January 1, 1990, remain with the Virginia Municipal Group Self-Insurance Association. All other property and casualty insurance either has been, or is expected to be renewed as it becomes due. The following table shows the amounts that have been accrued for workers' compensation as a liability within the self-insurance fund. The General Government's administrator is Landin, Inc., and the Component Unit-Schools' administrator is VACO.

	WORKERS' COMPENSATION		
	Primary Government	Component Unit - Schools	Total
<b>Fiscal Year 2004</b>			
Unpaid Claims Beginning of Fiscal Year	\$ 2,822,935	\$ 1,259,696	\$ 4,082,631
Incurred Claims (Including IBNR)	1,609,158	847,441	2,456,599
Claim Payments	(1,488,444)	(472,890)	(1,961,334)
<b>Unpaid Claims End of Fiscal Year</b>	<b>\$ 2,943,649</b>	<b>\$ 1,634,247</b>	<b>\$ 4,577,896</b>
<b>Fiscal Year 2003</b>			
Unpaid Claims Beginning of Fiscal Year	\$ 2,710,074	\$ 1,187,470	\$ 3,897,544
Incurred Claims (Including IBNR)	951,471	361,914	1,313,385
Claim Payments	(838,610)	(289,688)	(1,128,298)
<b>Unpaid Claims End of Fiscal Year</b>	<b>\$ 2,822,935</b>	<b>\$ 1,259,696</b>	<b>\$ 4,082,631</b>

On October 1, 1994, the County General Government and Component Unit - Schools began to self-insure health care for all eligible employees and all retirees. Eligible employees are regular staff and long-term full-time temporary employees. Eligible retirees include all retirees who immediately begin drawing a retirement annuity from the Virginia Retirement System. Employer contribution rates for employees vary depending on scheduled hours. Employer contribution rates for retirees vary based on the type of retirement, years of service, and type of coverage. The health insurance plan is a point of service plan. In-network services are covered with a \$10 co-pay for Primary Care Physician, \$15 for Specialists. Participants have an option to receive services out-of-network, subject to a \$200 deductible and 10% co-insurance. Prescription drugs, dental, and vision services are covered as part of the plan. The County has purchased specific stop loss insurance from Mid Atlantic Medical Services, Inc., (MAMSI) limiting claims against the self-insurance program to \$100,000 per occurrence for individual claims. The following table shows the amounts that have been accrued as a liability within the self-insurance fund based upon an estimate from the County's outside actuary.

	HEALTH INSURANCE		
	Primary Government	Component Unit - Schools	Total
<b>Fiscal Year 2004</b>			
Unpaid Claims Beginning of Fiscal Year	\$ 985,256	\$ 2,072,606	\$ 3,057,862
Incurred Claims (Including IBNR)	12,691,358	29,270,694	41,962,052
Claim Payments	(12,330,147)	(27,259,551)	(39,589,698)
<b>Unpaid Claims End of Fiscal Year</b>	<b>\$ 1,346,467</b>	<b>\$ 4,083,749</b>	<b>\$ 5,430,216</b>
<b>Fiscal Year 2003</b>			
Unpaid Claims Beginning of Fiscal Year	\$ 1,247,000	\$ 2,431,000	\$ 3,678,000
Incurred Claims (Including IBNR)	11,756,843	23,209,323	34,966,166
Claim Payments	(12,018,587)	(23,567,717)	(35,586,304)
<b>Unpaid Claims End of Fiscal Year</b>	<b>\$ 985,256</b>	<b>\$ 2,072,606</b>	<b>\$ 3,057,862</b>

The County General Government's and Component Unit-Schools' health insurance administrator is MAMSI, a third party administrator. MAMSI is contracted to adjust health insurance claims, provide underwriting services, recommend reserve levels, including claims reported but not settled. Delta Dental is the third party administrator for dental benefits and ECPA is the third party administrator for visions benefits.

The Board of Supervisors has the authority to modify the provisions of the County's post-employment benefit program. As of June 30, 2004, 153 retirees or individuals who qualify for disability, met the eligibility requirements for program participation. During FY2004, expenditures of \$621,784 were recorded for post-retirement health care benefits. This amount represents 73.81% of total contributions under the program. These amounts are not accrued over the employees' time of service, but are rather expensed when incurred. There were no significant reductions in insurance coverage from prior years, nor have settlements exceeded insurance coverage for the past three years.

#### **NOTE IX - OPERATING LEASES**

The County has various long-term non-cancelable operating lease agreements for property and equipment, which expire through fiscal year 2008. Total costs for such leases were \$5,596,841 for fiscal year 2004. Property leases generally provide renewal options and increases based on the Consumer Price Index. The Component Unit-Schools has no operating lease agreements as of June 30, 2004. Non-cancelable operating leases include the following minimum annual rental payments as of June 30, 2004:

Fiscal Year	Primary Government
2005	\$ 4,550,247
2006	3,935,802
2007	2,350,995
2008	1,944,863
2009	1,106,603
<b>Total</b>	<b>\$ 13,888,510</b>

#### **NOTE X - CAPITAL LEASES**

Capital leases for property and equipment include the following minimum annual lease payments as of June 30, 2004.

Fiscal Year	Primary Government	Component Unit-Schools
2005	\$ 4,434,597	\$ 5,710,865
2006	4,435,872	4,472,126
2007	4,437,172	3,338,667
2008	4,650,947	3,309,612
2009	11,656,048	1,098,995
2010-2014	26,451,713	0
2015-2019	24,512,788	0
2020-2024	11,623,469	0
<b>Subtotal</b>	<b>\$ 92,202,606</b>	<b>\$ 17,930,265</b>
Less: Amounts representing interest	(29,730,216)	(940,754)
<b>Capital Lease Obligations</b>	<b>\$ 62,472,390</b>	<b>\$ 16,989,511</b>

Capital leases payable as of June 30, 2004, are composed of the following individual items.

Date Issued	Final Maturity	Interest Rate	Issued Amount	Balance at June 30, 2004	Type of Project Financed (the assets acquired secured the related capital lease)
<b>Primary Government</b>					
09/15/90	Apr 2011	7.12%	\$ 8,695,000	\$ 2,650,000	Library Facility Government Complex
06/17/03	Mar 2019	Variable	21,530,000	21,530,000	Government Complex
12/16/03	Dec 2012	3.54%	3,726,000	3,292,390	Commuter Bus Lease
12/17/03	Dec 2023	Variable	35,000,000	35,000,000	Public Safety Facilities
<b>Total Primary Government</b>			<b>\$ 68,951,000</b>	<b>\$ 62,472,390</b>	
<b>Component Unit - Schools</b>					
07/27/00	Jul 2004	5.17%	\$ 5,670,000	\$ 1,134,000	School Equipment
08/02/01	Aug 2005	3.54%	5,350,000	2,140,000	School Equipment
08/30/02	Aug 2007	2.56%	7,800,000	6,315,511	School Equipment
08/15/03	Aug 2007	1.60%	2,000,000	2,000,000	School Equipment
08/15/03	Aug 2008	1.73%	5,400,000	5,400,000	School Equipment
<b>Total Component Unit - Schools</b>			<b>\$ 26,220,000</b>	<b>\$ 16,989,511</b>	

**NOTE XI – LONG TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations of the Primary Government and Schools for the year ended June 30, 2004:

	Balance at June 30, 2003	Additions	Reductions	Balance at June 30, 2004	Amounts Due Within One Year
<b>Primary Government</b>					
General Obligation Bonds and Loans Payable	\$ 565,810,286	\$ 125,075,000	\$ 58,128,196	\$ 632,757,090	\$ 50,505,069
Claims Payable	7,140,493	47,286,270	44,418,651	10,008,112	7,955,661
Capital Leases	24,460,000	38,726,000	713,610	62,472,390	1,553,993
Compensated Absences	10,120,982	1,857,930	514,026	11,464,886	719,636
Landfill Closure and Postclosure Care Costs	17,538,534	3,208,053	0	20,746,587	0
<b>Total Primary Government</b>	<b>\$ 625,070,295</b>	<b>\$ 216,153,253</b>	<b>\$ 103,774,483</b>	<b>\$ 737,449,065</b>	<b>\$ 60,734,359</b>
<b>Component Unit - Schools</b>					
Capital Leases	14,289,360	7,400,000	4,699,849	16,989,511	5,299,948
Compensated Absences	\$ 10,241,924	\$ 2,034,960	\$ 705,035	\$ 11,571,849	\$ 837,100
<b>Total Component Unit-Schools</b>	<b>\$ 24,531,284</b>	<b>\$ 9,434,960</b>	<b>\$ 5,404,884</b>	<b>\$ 28,561,360</b>	<b>\$ 6,137,048</b>

Long-term obligations of governmental activities are generally liquidated by the general fund, except for claims liabilities, which are liquidated by the internal service fund.

Bonds and loans payable as of June 30, 2004, are as follows:

General Obligation Bonds:

\$22,445,000 Public Improvement Bonds, Series 1994, due in annual installments from \$1,120,000 to \$1,125,000 through 2014, interest from 4.50% to 5.10%. The proceeds of these bonds were used for construction and equipping of new schools.	\$12,345,000
\$16,665,000 School Construction Bonds, Series 1994B, due in annual installments from \$710,000 to \$865,000 through 2013, interest from 6.10% to 6.30%. The proceeds of these bonds were used for new school construction as well as improvements in existing schools.	8,570,000
\$18,115,000 School Construction Bonds, Refunding Series 1994A, due in annual installments of \$225,000 to \$1,195,000 through 2011, interest from 5.5% to 8.6%. The proceeds of these bonds were used to refinance four bond issues from 1987, 1989, 1990, and 1991.	6,425,000
\$30,700,000 Public Improvement Bonds, Series 1996A, due in annual installments of \$1,535,000 through 2016, interest from 4.70% to 6.70%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County.	7,675,000
\$10,000,000 School Construction Bonds, Series 1997A, due in annual installments of \$394,000 to \$1,045,000 through 2018, interest from 5.10% to 6.10%. The proceeds of these bonds were used for new school and technology construction.	7,000,000
\$44,325,000 Public Improvement Bonds, Series 1997A, due in annual installments of \$2,215,000 to \$2,220,000 through 2017, interest from 4.30% to 6.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County and the development, construction, and equipping of a Senior Services Center.	31,030,000
\$39,770,000 Public Improvement Bonds, Series 1998A, due in annual installments of \$1,460,000 to \$2,965,000 through 2019, interest from 4.00% to 5.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County.	24,945,000
\$10,105,000 Public Improvement Bonds, Series 1998B, due in annual installments of \$30,000 to \$1,910,000 through 2016, interest from 4.00% to 5.25%. The proceeds of these bonds were used for the refunding of outstanding bonds originally issued in 1989, 1993, and 1996.	9,285,000
\$20,235,000 School Construction Bonds, Series 1999A, due in annual installments of \$1,010,000 to \$1,015,000 through 2020, interest from 4.10% to 5.23%. The proceeds of these bonds were used for new school and technology construction.	16,175,000

\$10,000,000 Public Improvement Bonds, Series 1999B, due in annual installments of \$100,000 to \$900,000 through 2020, interest from 3.60% to 5.40%. The proceeds of these bonds were used to finance the acquisition, construction, and equipping of a public school in the County.	8,400,000
\$58,825,000 Public Improvement Bonds, Series 1999C, due in annual installments of \$1,540,000 to \$4,905,000 through 2020, interest from 4.50% to 5.75%. The proceeds of these bonds were used to finance the acquisition, construction, and equipping of public schools in the County; the design, construction, and equipping of a renovation and addition to the County's animal shelter; and the renovation and expansion of the County's emergency communications systems.	32,460,000
\$3,020,000 School Construction Bonds, Series 2000A, due in annual installments of \$150,000 to \$155,000 through 2021, interest from 5.10% to 6.35%. The proceeds of these bonds were used to finance the design, construction, and equipping of a gymnasium and addition to an existing elementary school in the County.	2,555,000
\$60,000,000 Public Improvement Bonds, Series 2000B, due in annual installments of \$2,650,000 to \$3,650,000 through 2021, interest from 4.48% to 5.38%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County, the County's fire and rescue training center, including the replacement of the burn building, and enhancing the automated systems of the County libraries.	49,050,000
\$12,060,000 School Construction Bonds, Series 2001A, due in annual installments of \$600,000 to \$605,000 through 2021, interest from 4.10% to 5.60%. The proceeds of these bonds were used to finance the design, construction, and equipping of an elementary school in the County.	10,850,000
\$45,000,000 Public Improvement Bonds, Series 2001B, due in annual installments of \$1,535,000 to \$3,575,000 through 2021, interest from 4.00% to 5.25%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County and two of the County's libraries and to enhance the automated systems of the County's libraries.	34,280,000
\$70,000,000 Public Improvement Bonds, Series 2001C, due in annual installments of \$3,010,000 to \$4,410,000 through 2021, interest from 3.25% to 5.25%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County, the County's fire and rescue training center, including the replacement of the burn building, two of the County's public safety centers and a County library.	61,180,000
\$90,625,000 Public Improvement Bonds, Series 2002A, due in annual installments of \$3,125,000 to \$5,925,000 through 2022, interest from 2.00% to 5.25%. \$74,000,000 of the proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County and a public safety center in the County. \$16,625,000 of the proceeds of these bonds was used for the refunding of bonds originally issued in 1993, 1996 and 1999.	80,910,000
\$110,715,000 Public Improvement Bonds, Series 2003A, due in annual installments of \$4,985,000 to \$6,720,000 through 2022, interest from 3.00% to 5.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County, a fire/sheriff station, public libraries, and park and recreation facilities in the County.	104,000,000
\$14,075,000 Refunding Bonds, Series 2003B, due in annual installments of \$1,400,000 to \$2,535,000 through 2013, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1993.	14,075,000
\$111,000,000 Public Improvement Bonds, Series 2004A, due in annual installments of \$4,705,000 to \$7,120,000 through 2024, interest from 3.25% to 5.25%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, and equipping of public schools, a fire/sheriff station, public libraries, and park and recreation facilities in the County.	<u>111,000,000</u>
<b>Total General Obligation Bonds</b>	<b>\$632,210,000</b>

#### Loan Payable

\$909,000 for loan in 1998 from the Virginia Water Facilities Revolving Loan Fund due in semi-annual installments of \$52,769 through 2009, at interest of 2.0%. The proceeds of this loan were used to correct failing septic system problems of properties immediately adjacent to the Town of Hamilton.	547,090
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<b>Total General Obligation Bonds and Loan Payable</b>	<b><u>\$632,757,090</u></b>
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Annual requirements to amortize long-term debt and related interest to maturity for the Primary Government are presented below:

Primary Government Debt Service		
Year Ending June 30	Principal	Interest
2005	\$ 50,505,069	\$ 30,166,940
2006	50,931,980	27,954,960
2007	49,373,930	25,613,591
2008	46,395,918	23,303,085
2009	42,727,946	21,007,391
2010-2014	174,012,247	77,651,161
2015-2019	143,350,000	37,507,201
2020-2024	75,460,000	7,867,174
<b>Total General Obligations and Loans Payable</b>	<b>\$ 632,757,090</b>	<b>\$ 251,071,503</b>

This year and in prior years, the County defeased certain general obligation and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account's assets and liabilities for the defeased bonds are not included in the County's financial statements. As of June 30, 2004 \$56,210,000 of bonds outstanding are considered defeased. During fiscal year 2004, the County completed a refunding of certain general obligation bonds. \$14,075,000 of the Series 2003B bonds were used to advance refund \$14,295,000 of the Series 1993A bonds. The cash flow difference to the County is \$813,995 less with the refunding bonds. A net present value saving of \$790,036 resulted from the advance refunding.

#### **NOTE XII - SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS**

State and federal laws and regulations require the County to place a final cover on its Woods Road landfill site, as well as other sites opened in the future when they stop accepting waste, and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and postclosure care cost will be paid only near or after the date that the landfill stops accepting waste, GAAP requires that the County record a portion of these closure and postclosure care costs as a long-term liability in each period based on landfill capacity used as of each fiscal year end. The \$20,746,587 liability for landfill closure and postclosure care cost at June 30, 2004 represents the estimated liability based on the usage of 93.35% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care in the amount of \$1,477,930 as the remaining estimated capacity is used. The estimated remaining life of the landfill is 20 years. The liability accrued at June 30, 2004 is based on what it would cost to perform all closure and postclosure care in 2004. Actual cost may differ from this estimate due to inflation, changes in technology or changes in regulation.

#### **NOTE XIII - CONTINGENT LIABILITIES**

Various claims and lawsuits are pending against the County. With respect to pending litigation, neither management nor the County Attorney can predict the outcome of certain of those matters at this time or the ultimate liability should the County not be successful in defending its position. In actions for monetary damages, other than taxation matters, the County may have coverage through self-insurance plans managed by the Commonwealth of Virginia. However, it is possible that in the near term, losses may be realized on claims in excess of amounts included as other liabilities on the statement of net assets.

Due to the County's breadth of activities, there is a potential for environmental liability exposure to the County. The County has received notice from the Environmental Protection Agency regarding methane gas leakage from the County's landfill resulting in water contamination, and may be required to share in the cost of cleanup. Management believes, however, that the impact of potential environmental liabilities will not have a material affect on the financial position or results of operations of the County.

Additionally, the County has received a number of Federal and State grants. Although the County has been audited in accordance with the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, these grants remain subject to financial and compliance audits by the grantors or their representatives. Such audits could result in requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. The amount of expenditures that may be disallowed as a result of audits at some future date cannot be determined at this time; however, County management believes such amounts, if any, will not have a material affect on the financial position or results of operations of the County.

#### **NOTE XIV- DEFERRED COMPENSATION PLAN**

The Primary Government offers a deferred compensation plan created in accordance with Internal Revenue Code Section 457 (the "Plan"). The Plan is available to all employees and permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

The Plan's investments are not reported on the Primary Government's balance sheet as such funds are held in a trust, over which the Primary Government has limited oversight.

**NOTE XV - RETIREMENT PLANS****(A) DEFINED BENEFIT PENSION PLAN****1. Plan Description**

Name of Plan: Virginia Retirement System (VRS)  
 Identification of Plan: Agent and Cost-Sharing Multiple-Employer Defined Benefit Pension Plan  
 Administering Entity: Virginia Retirement System (VRS)

All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees are eligible for an unreduced retirement benefit at age 65 with 5 years of service (age 60 with 5 years of service for participating law enforcement officers and firefighters) or at age 50 with 30 years of service (age 50 with 25 years of service for participating law enforcement officers and firefighters) payable monthly for life in an amount equal to 1.7 percent of their average final compensation (AFC) for each year of credited service. Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. In addition, retirees qualify for an annual cost-of-living adjustment (COLA) beginning in their second year of retirement. The COLA is limited to 5% per year. AFC is defined as the highest consecutive 36 months of reported compensation. Participating law enforcement officers and firefighters may receive a monthly benefit supplement if they retire prior to age 65. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of that report may be obtained by writing to the System at P O Box 2500, Richmond, Va 23218-2500.

**2. Funding Policy**

Employees are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5% of their annual salary to the VRS. This 5% member contribution has been assumed both by the County and the School Board for their respective employees. If an employee leaves covered employment, the accumulated contributions plus interest earned may be refunded to the employee. Each participating employer is required by State statute to contribute the remaining amounts necessary to fund the System using the actuarial basis specified by the Code of Virginia (1950), as amended, and approved by the VRS Board of Trustees. State statute may be amended only by the Commonwealth of Virginia Legislature. Contributions made by the Primary Government and the Component Unit – Schools for their employees other than professional employees of the Schools represent 4.00% of covered payroll for the fiscal year, while employee contributions represent 5%. Total contributions made by the Schools to the VRS Statewide teacher cost-sharing pool for professional employees of the Schools for the three fiscal years 2002, 2003, and 2004 were \$15,039,944, \$19,335,203, and \$21,428,707 respectively, and represented 8.66%, 9.61% and 9.70% of the covered payroll, respectively.

**3. Annual Pension Cost**

For 2004, the Primary Government and Component Unit-Schools' annual pension cost of \$9,450,637 and \$2,414,022 respectively, was equal to the Primary Government and Component Unit-Schools' required and actual contributions. The required contribution was determined as part of the June 30, 2003 actuarial valuation using the entry age normal actuarial cost method. The amortization method used is a level percent, open method with an amortization period of 5 years. The actuarial assumptions included (a) 8% investment rate of return, (b) projected salary increases of 4.25% to 6.10% per year, and (c) 3.0% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3%. The actuarial value of the Primary Government and Component Unit-Schools' assets is equal to the modified market value of assets. This method was determined using techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period.

Trend Information - Primary Government			
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2004	\$9,450,637	100%	\$0
June 30, 2003	\$8,737,136	100%	\$0
June 30, 2002	\$7,998,183	100%	\$0

Trend Information - Component Unit-Schools			
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2004	\$2,414,022	100%	\$0
June 30, 2003	\$2,130,164	100%	\$0
June 30, 2002	\$1,975,031	100%	\$0

(B) VOLUNTEER FIRE AND RESCUE RETIREMENT SYSTEM

1. Plan Description

The Primary Government is the administrator of a noncontributory, single employer, defined benefit Length of Service Retirement Plan (the Plan). The Plan covers voluntary fire and rescue service members, who are not Primary Government employees, but who serve voluntarily with one of the Primary Government's volunteer fire and rescue companies. The Plan provides retirement benefits as well as death and disability benefits. All benefits vest after ten years of credited service. Members who retire at or after age 55 with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to \$10 per month for each year of credited service earned after January 1, 1976, \$10 per month for each two years of credited service earned prior to January 1, 1976, with a maximum benefit of \$250 per month. The Plan has a total of 1,512 members; 2 members are in retirement status, 309 are former members with vested benefits, resulting in 1,201 active Plan participants for the year. The Loudoun County Board of Supervisors maintains the authority to establish and amend the benefit provisions of the Plan. The Plan is invested in a fixed annuity that pays 5.20%. The Plan does not issue a stand alone financial report. All required statements and disclosures are contained in these financial statements.

2. Funding Status and Progress

The Loudoun County Board of Supervisors maintains the authority to establish and amend the funding policy of the Plan. The Plan's funding policy provides for the periodic Primary Government contributions at actuarially determined rates to accumulate sufficient assets to pay benefits when due. Plan members are not required to and do not contribute to the Plan. Plan contributions are held in an unallocated insurance contract with Hartford Insurance Company.

3. Annual Pension Cost

The Primary Governments' contributions to the Plan were equal to the annual required contribution and annual pension cost for each year. The annual and required contribution was determined through a June 30, 2002 actuarial valuation using the entry age normal cost method. The amortization method used is a thirty year, level dollar, closed method. The actuarial assumptions included (a) 5.5% investment rate of return and (b) pre-retirement ancillary benefits of 7.5%. Both (a) and (b) include an inflation component of 2.5% to 3%. The actuarial value of the assets is equal to the market value of the assets.

Trend Information			
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2004	\$746,832	100%	\$0
June 30, 2003	\$742,690	100%	\$0
June 30, 2002	\$783,590	100%	\$0

**NOTE XVI - DEFERRED REVENUE**

Deferred revenue, representing taxes not yet due of \$210,746,759, uncollected delinquent tax billings of \$5,582,408, business license tax billings of \$7,604,012, grants of \$2,548,325 not available for funding of current expenditures, and miscellaneous revenue of \$1,823,371 totaled \$228,304,875 for both Primary Government and Schools as of June 30, 2004. Certain uncollected business license tax billings are being disputed and may not be collected.

Property taxes deferred as a result of land use assessments and tax relief for the elderly and handicapped are not reflected in the financial statements since collection is contingent upon occurrence of certain events prescribed by statute. These contingent amounts represent approximately \$62.8 million at June 30, 2004.

**NOTE XVII - EXCESS EXPENDITURES OVER APPROPRIATIONS**

- Broad Run Farms Sewer Improvements Fund expenditures for fiscal year 2004 were \$144,693, which exceeded its legal budget of \$144,688 by \$5. The taxes collected in this fund in excess of contracted payments were transferred to the capital projects fund to cover construction costs.
- The Hotel and Motel Room Tax Fund expenditures for fiscal year 2004 were \$1,471,649, which exceeded its legal budget of \$1,389,960 by \$81,689. This was due to a technical difficulty in the budget adjustment system that has been subsequently corrected for future fiscal years.



**NOTE XVIII - NONCURRENT NOTES AND LOANS RECEIVABLE - PRIMARY GOVERNMENT**

Noncurrent notes and loans receivable consisted of the following at June 30, 2004.

Notes and Loans Receivable	\$ 4,565,549
Allowance for Uncollectibles	(809,576)
<b>Net Notes and Loans Receivable</b>	<b><u>\$ 3,755,973</u></b>

Of the gross amount of notes and loans receivable, \$2,298,119 represents loans made to volunteer fire and rescue companies in the County for the purchase of equipment or the renovation and expansion of the companies' facilities. \$809,619 represents loans to towns in the County or The Loudoun County Sanitation Authority (LCSA) for the expansion of sewage services. Sewage connection fees are used to repay these loans. The remaining \$1,457,811 represents loans to individuals/families under the Affordable Housing Project.

**NOTE XIX - JOINTLY GOVERNED ORGANIZATION**

The County, in conjunction with the Commonwealth of Virginia Transportation Board (the "Transportation Board") and the County of Fairfax, Virginia (Fairfax County), has created the State Route 28 Highway Transportation Improvement District (the "District"). The District was created by resolutions of the Boards of Supervisors of Loudoun and Fairfax Counties. The District is governed by a commission of nine members comprised of four of the elected members of the Board of Supervisors of Loudoun County, four of the elected members of the Board of Supervisors of Fairfax County, and the Chairman of the Transportation Board or his or her designee. The Chairman of the District is elected by and from among its members. The District Act confers powers upon Loudoun and Fairfax Counties to levy annually within the District a limited ad valorem tax on taxable real estate zoned for commercial and industrial use located in the District. This tax, when levied and collected by either County, is to be promptly paid to the fiscal agent of any outstanding bonds issued for construction purposes on State Route 28. The Transportation Board through the Fairfax County Economic Development Commission has issued \$90,785,000 transportation contract revenue bonds for the purpose of financing a portion of the costs of certain grade-separated interchanges on State Route 28 in Loudoun and Fairfax Counties. The Board of Supervisors of Loudoun and Fairfax Counties have agreed to equally support any shortfalls in annual debt service payments arising from a shortage of District tax revenues.

**NOTE XX - SUBSEQUENT EVENT**

On October 14, 2004, the County issued \$66,525,000 in general obligation bonds that were sold to the Virginia Public School Authority. The proceeds of these bonds are being used to fund school projects. The \$66,525,000 Series 2004B bonds range in interest from 4.10% to 5.60%, and are payable through 2024.

## **REQUIRED SUPPLEMENTARY INFORMATION**



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COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts		Actual Amount (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Resources (Inflows)</b>				
General Property Taxes	\$ 405,806,938	\$ 405,806,938	\$ 424,632,360	\$ 18,825,422
Other Local Taxes	65,884,500	65,884,500	79,601,555	13,717,055
Permits and Licenses	13,347,392	13,463,503	17,779,983	4,316,480
Intergovernmental	76,693,362	81,780,149	78,761,608	(3,018,541)
Charges for Services	13,346,365	14,888,018	16,900,254	2,012,236
Fines and Forfeitures	1,465,710	1,465,710	1,688,132	222,422
Use of Money and Property	3,587,334	3,595,424	2,249,291	(1,346,133)
Recovered Costs	4,316,613	5,065,576	5,540,171	474,595
Gifts and Donations and Miscellaneous	1,245,654	1,727,941	1,783,950	56,009
Sales of Capital Assets	1,200	1,200	120,622	119,422
Transfers from Other Funds	1,125,741	1,130,359	949,125	(181,234)
<b>Amounts Available for Appropriation</b>	<b>586,820,809</b>	<b>594,809,318</b>	<b>630,007,051</b>	<b>35,197,733</b>
<b>Charges to Appropriations (Outflows)</b>				
General Government Administration	36,583,667	41,391,548	33,755,811	7,635,737
Judicial Administration	8,028,569	8,470,402	7,564,006	906,396
Public Safety	70,078,760	71,634,964	68,774,123	2,860,841
Public Works	15,348,977	18,802,196	15,929,598	2,872,598
Health and Welfare	44,635,454	48,363,667	44,413,343	3,950,324
Parks, Recreation and Culture	29,073,566	31,124,680	28,748,739	2,375,941
Community Development	20,056,265	22,375,977	20,159,895	2,216,082
Education and Transfers to School Board, net	300,072,039	311,681,849	318,322,543	(6,640,694)
Transfers to Other Funds	78,869,946	68,059,523	61,263,599	6,795,924
<b>Total Charges to Appropriations</b>	<b>602,747,243</b>	<b>621,904,806</b>	<b>598,931,657</b>	<b>22,973,149</b>
<b>Excess (Deficiency) of Resources Over</b>				
<b>Charges to Appropriations</b>	<b>(15,926,434)</b>	<b>(27,095,488)</b>	<b>31,075,394</b>	<b>58,170,882</b>
<b>Fund Balance at Beginning of Year</b>	<b>88,020,241</b>	<b>88,020,241</b>	<b>88,020,241</b>	<b>-</b>
<b>Fund Balance at End of Year</b>	<b>\$ 72,093,807</b>	<b>\$ 60,924,753</b>	<b>\$ 119,095,635</b>	<b>\$ 58,170,882</b>

See Independent Auditors' Report and notes to budgetary comparison schedule.

**COUNTY OF LOUDOUN, VIRGINIA  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
June 30, 2004**

The following procedures are used by the County in establishing the budgetary data reflected in the budgetary comparison schedule.

1. Prior to March 30, the County Administrator submits a proposed operating and capital budget for the fiscal year, commencing on the following July 1, to the Board of Supervisors. The operating and capital budget includes proposed expenditures and the related financing.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the Fund level. The appropriation for each Fund can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within County general government funds.
5. Formal budgetary integration is employed at the character level within each department as a management control device during the year.
6. All budgets are adopted on a basis consistent with GAAP.

**COUNTY OF LOUDOUN, VIRGINIA  
PUBLIC EMPLOYEE RETIREMENT SYSTEMS - PRIMARY GOVERNMENT  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF FUNDING PROGRESS (Unaudited)**

	(1)	(2)	(3)	(4)	(5)	(6)
	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL (2) - (1))	Funded Ratio (1) / (2)	Annual Covered Payroll
						UAAAL as a Percentage of Covered Payroll ((2)-(1)) / (5)
Volunteer Fire and Rescue Retirement System	6/30/1999	5,674,000	7,631,000	1,957,000	74.35%	N/A
	6/30/2000	6,584,000	8,475,000	1,891,000	77.69%	N/A
	6/30/2001	7,071,000	9,321,000	2,250,000	75.86%	N/A
	6/30/2002	7,482,000	9,643,000	2,161,000	77.59%	N/A
	6/30/2003	8,221,000	10,445,000	2,224,000	78.71%	N/A
	6/30/2004	9,165,000	12,127,000	2,962,000	75.58%	N/A
Virginia Retirement System	6/30/1998	85,482,917	81,302,071	(4,180,846)	105.14%	43,183,750
	6/30/1999	101,205,719	96,474,848	(4,730,871)	104.90%	48,656,343
	6/30/2000	120,106,673	104,252,713	(15,853,960)	115.21%	57,334,672
	6/30/2001	137,285,399	122,153,258	(15,132,141)	112.39%	72,476,675
	6/30/2002	149,528,486	146,875,984	(2,652,502)	101.81%	91,133,256
	6/30/2003	161,094,199	164,947,392	3,853,193	97.66%	88,905,517

All six year-recommended trend information has been calculated using the Entry Age Normal actuarial cost method. Under the Entry Age Normal actuarial cost method, the actuarial present value of future benefits for each member is allocated for the members' pensionable compensation on a level basis between the entry age of the member and the estimated exit age. The portion of the present value of future benefits not provided for by the present value of future normal costs is called the actuarial accrued liability.

Analysis of dollar amounts of plan net assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading.

\* Expressing plan net assets as a percentage of the actuarial accrued liability provides one indication of each plan's funding status on a going concern basis. Analysis of this percentage over time indicates whether the plan is financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.

\* Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the percentage, the stronger the plan.

**SCHEDULE OF EMPLOYER CONTRIBUTIONS (Unaudited)**

General Employees			Volunteer Firefighter		
Actuarial Date	Annual Required Contribution	Percentage Contributed	Actuarial Date	Annual Required Contribution	Percentage Contributed
6/30/1999	4,908,933	100%	6/30/1999	725,334	100%
6/30/2000	5,742,564	100%	6/30/2000	799,815	100%
6/30/2001	6,842,214	100%	6/30/2001	652,896	100%
6/30/2002	7,998,183	100%	6/30/2002	783,590	100%
6/30/2003	8,737,136	100%	6/30/2003	742,690	100%
6/30/2004	9,450,637	100%	6/30/2004	746,832	100%

**COUNTY OF LOUDOUN, VIRGINIA**  
**PUBLIC EMPLOYEE RETIREMENT SYSTEMS - COMPONENT UNIT**  
**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF FUNDING PROGRESS (Unaudited)**

		(1)	(2)	(3)	(4)	(5)	(6)
	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL (2) - (1))	Funded Ratio (1) / (2)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll ((2)-(1)) / (5)
<b>School Board:</b>	6/30/1998	16,849,150	19,028,057	2,178,907	88.55%	10,210,748	21.34%
Virginia Retirement	6/30/1999	19,675,543	20,487,648	812,105	96.04%	11,313,639	7.18%
System	6/30/2000	23,544,746	20,727,670	(2,817,076)	113.59%	13,193,813	-21.35%
	6/30/2001	27,148,809	25,379,887	(1,768,922)	106.97%	16,749,346	-10.56%
	6/30/2002	29,589,089	29,783,214	194,125	99.35%	20,068,557	0.97%
	6/30/2003	31,887,035	34,915,358	3,028,323	91.33%	24,010,440	12.61%

All six year-recommended trend information has been calculated using the Entry Age Normal actuarial cost method. Under the Entry Age Normal actuarial cost method, the actuarial present value of future benefits for each member is allocated for the members's pensionable compensation on a level basis between the entry age of the member and the estimated exit age. The portion of the present value of future benefits not provided for by the present value of future normal costs is called the actuarial accrued liability.

Analysis of dollar amounts of plan net assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading.

\* Expressing plan net assets as a percentage of the actuarial accrued liability provides one indication of each plan's funding status on a going concern basis. Analysis of this percentage over time indicates whether the plan is financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.

\* Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the percentage, the stronger the plan.

**SCHEDULE OF EMPLOYER CONTRIBUTIONS (Unaudited)**

<b>School Board</b>		
Actuarial Date	Annual Required Contribution	Percentage Contributed
6/30/1999	1,275,579	100%
6/30/2000	1,458,767	100%
6/30/2001	1,736,786	100%
6/30/2002	1,975,031	100%
6/30/2003	2,130,164	100%
6/30/2004	2,414,022	100%

## **OTHER SUPPLEMENTARY INFORMATION**





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## General Fund

General Fund - This fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

COUNTY OF LOUDOUN, VIRGINIA  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**(With Comparative Actual Amounts for 2003)**

	2004			2003
	Budget	Actual	Variance Positive (Negative)	Actual
<b>REVENUES</b>				
<b>From local sources:</b>				
<u>General property taxes:</u>				
Real property taxes	\$ 329,578,938	\$ 354,615,517	\$ 25,036,579	\$ 291,782,124
Real and personal public service corporation property taxes	10,206,000	8,892,380	(1,313,620)	9,317,009
Personal property taxes	62,652,000	57,515,495	(5,136,505)	54,889,372
Machinery and tools taxes	1,170,000	1,122,576	(47,424)	1,029,487
Penalties and interest	2,200,000	2,486,392	286,392	3,138,157
Total general property taxes	405,806,938	424,632,360	18,825,422	360,156,149
<u>Other local taxes:</u>				
Local sales and use taxes	31,000,000	37,760,453	6,760,453	30,927,884
Consumer utility taxes	8,172,000	8,427,734	255,734	7,978,989
Business license taxes	16,005,300	18,078,837	2,073,537	15,357,422
Franchise license taxes	965,000	1,060,662	95,662	938,133
Motor vehicle licenses	3,832,200	4,278,596	446,396	3,726,207
Bank franchise taxes	245,000	335,675	90,675	293,148
Taxes on recordation and wills	4,532,000	8,465,062	3,933,062	6,834,446
Hotel and motel room taxes	1,133,000	1,194,536	61,536	1,138,478
Total other local taxes	65,884,500	79,601,555	13,717,055	67,194,707
<u>Permits, privilege fees and regulatory licenses:</u>				
Animal licenses	56,000	75,088	19,088	63,381
Permits and other licenses	13,407,503	17,704,895	4,297,392	16,983,322
Total permits, privilege fees and regulatory licenses	13,463,503	17,779,983	4,316,480	17,046,703
<u>Fines and forfeitures:</u>				
Fines and forfeitures	1,465,710	1,688,132	222,422	1,439,119
Total fines and forfeitures	1,465,710	1,688,132	222,422	1,439,119
<u>Revenue from use of money and property:</u>				
Revenue from use of money	3,079,376	1,815,574	(1,263,802)	2,338,053
Revenue from use of property	516,048	433,717	(82,331)	453,568
Total revenue from use of money and property	3,595,424	2,249,291	(1,346,133)	2,791,621
<u>Charges for services:</u>				
Boards, Commissions and Committees	-	-	-	(1,365)
County Attorney	-	2,075	2,075	-
Treasurer	170,586	211,884	41,298	153,198
Clerk of the Circuit Court	1,900,000	3,025,325	1,125,325	2,487,444
Commonwealth's Attorney	-	3,085	3,085	3,066
Sheriff	440,757	273,778	(166,979)	214,359
Management and Financial Services	3,100	1,440	(1,660)	1,727
General Services	2,350	2,614	264	4,340
Building & Development	22,000	82,333	60,333	31,314
Planning	4,000	5,100	1,100	1,881
Economic Development	-	254	254	222
Office of the Solid Waste Management	2,169,422	2,808,249	638,827	943,469
Mapping and Geographic Information	62,000	62,938	938	61,910
Animal Care and Control	54,500	67,724	13,224	49,392
Health Services	26,090	12,157	(13,933)	22,602
Transportation	1,485,000	1,626,303	141,303	1,172,655
Library	23,675	20,897	(2,778)	18,481
Mental Health and Mental Retardation	602,210	642,388	40,178	671,416
Parks and Recreation	7,922,328	8,051,710	129,382	7,277,248
Total charges for services	14,888,018	16,900,254	2,012,236	13,113,359
<u>Miscellaneous revenue:</u>				
Miscellaneous revenue	566,342	1,323,341	756,999	1,283,587
Gifts and Donations	296,599	460,609	164,010	386,777
Sales of capital assets	1,200	120,622	119,422	694

**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**(With Comparative Actual Amounts for 2003)**

	2004		Variance	2003
	Budget	Actual	Positive (Negative)	Actual
Total miscellaneous revenue	864,141	1,904,572	1,040,431	1,671,058
<u>Recovered costs:</u>				
Recovered costs	5,065,576	5,540,171	474,595	5,433,695
Total recovered costs	5,065,576	5,540,171	474,595	5,433,695
Total from local sources	5,110,338,810	550,296,318	39,262,508	468,846,411
<b>From the Commonwealth:</b>				
<u>Non-categorical aid:</u>				
ABC profits	79,000	205,970	126,970	163,426
Wine taxes	83,000	127,672	44,672	151,321
Motor vehicle carrier's taxes	5,000	4,046	(954)	7,764
Mobile home titling taxes	6,600	6,754	154	3,510
Taxes on deeds	1,700,000	3,112,047	1,412,047	2,166,622
Motor vehicle sales and use taxes	5,400,000	5,317,779	(82,221)	4,726,862
Reimbursement of personal property tax	47,142,000	42,733,105	(4,408,895)	39,268,184
Total non-categorical aid	54,415,600	51,507,373	(2,908,227)	46,487,689
<u>Shared expenses:</u>				
Commonwealth's attorney	518,282	563,165	44,883	475,227
Sheriff	6,388,651	6,549,297	160,646	6,400,553
Commissioner of the Revenue	246,380	244,265	(2,115)	272,940
Treasurer	301,205	306,788	5,583	333,090
Medical Examiner	-	2,220	2,220	1,050
Registrar	54,143	53,452	(691)	54,389
Electoral Boards	12,017	11,844	(173)	12,104
Clerk of the Circuit Court	570,012	593,249	23,237	619,989
Total shared expenses	8,090,690	8,324,280	233,590	8,169,342
<u>Categorical aid:</u>				
<u>Welfare/social services:</u>				
<u>Parks and Recreation:</u>				
Local services to elderly	14,376	13,376	(1,000)	6,331
Fan care	220	241	21	-
Community Base Services	29,108	29,108	-	22,042
Nutritional services	3,761	3,761	-	19,142
Total Parks and Recreation	47,465	46,486	(979)	47,515
<u>Social Services:</u>				
State and local hospital	-	4,951	4,951	4,431
General relief assistance	67,010	88,476	21,466	376,098
Foster care assistance	216,465	45,379	(171,086)	165,171
Supplemental to the aged, blind and disabled	155,538	115,463	(40,075)	119,694
Direct social services	81,725	-	(81,725)	-
General administration	257,164	-	(257,164)	-
Administration	324,149	-	(324,149)	-
Food Stamp Program	-	167,217	167,217	188,051
Temporary Assistance to Needy Family	47,018	135,836	88,818	204,270
Foster Care Assistance	133,820	121,579	(12,241)	91,270
Discretionary Grants	10,914	-	(10,914)	9,960
Child Care & Development	627,809	651,249	23,440	654,590
Family prevention and support services	-	76,481	76,481	10,200
Adoption Assistance	56,332	61,962	5,630	57,979
Medicaid Assistance	800	103,735	102,935	101,621
Respite care for foster families	-	239	239	298
Total Social Services	1,978,744	1,572,567	(406,177)	1,983,633
Total welfare/social services	2,026,209	1,619,053	(407,156)	2,031,148
<u>Parks and recreation:</u>				
<u>Regional Organization</u>				
Outdoor recreation	5,000	5,000	-	5,000
Total Regional Organization	5,000	5,000	-	5,000

**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**(With Comparative Actual Amounts for 2003)**

	2004			2003
	Budget	Actual	Variance Positive (Negative)	Actual
Parks and Recreation				
Outdoor recreation	-	-	-	(18,056)
Total Parks and Recreation	-	-	-	(18,056)
Total parks and recreation	5,000	5,000	-	(13,056)
Education:				
Non-departmental:				
Lottery proceeds for education	3,115,000	2,806,144	(308,856)	2,825,068
Total education	3,115,000	2,806,144	(308,856)	2,825,068
Total categorical aid	5,146,209	4,430,197	(716,012)	4,843,160
Other categorical aid:				
Clerk of Circuit Court:				
Chancery papers - Processing	10,215	10,214	(1)	18,964
Chancery papers - Item conservation	7,440	7,440	-	10,261
Total Clerk of Circuit Court	17,655	17,654	(1)	29,225
Sheriff's Office:				
Byrne	-	-	-	615
School resource officer	-	-	-	13,612
Sobriety checkpoint	1,500	-	(1,500)	-
Total Sheriff's Office	1,500	-	(1,500)	14,227
General Services:				
Goose creek grant	(12,925)	-	12,925	-
Total General Services	(12,925)	-	12,925	-
Fire and Rescue:				
EMS motor vehicle registration	37,061	89,751	52,690	174,241
Juvenile detention reimbursements	52,690	-	(52,690)	-
Virginia fire program mini grant	1,580	1,580	-	-
Public emergency assistance	76	12,046	11,970	-
Total Fire and Rescue	91,407	103,377	11,970	174,241
Office of Solid Waste Management:				
Litter control	69,066	39,066	(30,000)	26,670
Total Office of Solid Waste Management	69,066	39,066	(30,000)	26,670
Transportation:				
State formula assistance	344,000	344,181	181	277,338
Comprehensive Transit Awareness	-	12,433	-	-
Total Transportation	344,000	356,614	181	277,338
Library:				
Public libraries	218,635	218,635	-	222,912
Total Library	218,635	218,635	-	222,912
Community Corrections:				
Administration of justice services	418,510	414,218	(4,292)	402,268
Total Community Corrections	418,510	414,218	(4,292)	402,268
Mental Health and Mental Retardation:				
Community residential services	35,000	46,479	11,479	23,533
Young Offender	32,588	-	(32,588)	-
DBH Reimbursement	-	5,146	5,146	2,703
Alcohol abuse services	568,878	447,709	(121,169)	434,016
Mental health services	862,809	876,814	14,005	849,861
Mental retardation services	315,830	342,525	26,695	337,654
MR family support	57,281	57,281	-	65,201
NGRI	1,000	1,000	-	1,000
Discharge assistance project	253,039	253,039	-	253,039

**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**(With Comparative Actual Amounts for 2003)**

	2004			2003
	Budget	Actual	Variance Positive (Negative)	Actual
Early intervention	3,125	3,125	-	3,125
Mental health psychiatric staff	-	-	-	12,948
Children and adolescents with SED	85,325	67,044	(18,281)	42,760
Virginia incentive (SIG)	83,439	-	(83,439)	(4,816)
MR OBRA	14,076	13,380	(696)	14,076
SA MOE for SAPT Block Grant	-	11,286	11,286	-
Total Mental Health and Mental Retardation	2,312,390	2,124,828	(187,562)	2,035,100
Parks and Recreation:				
Care coordination program	50,000	50,000	-	50,000
Virginia tobacco settlement foundation	76,744	63,350	(13,394)	64,436
Home safe home Virginia	11,825	11,825	-	-
Total Parks and Recreation	138,569	125,175	(13,394)	114,436
Family Court Services:				
Juvenile delinquency prevention	32,560	-	(32,560)	-
Juvenile confinement	102,295	102,294	(1)	101,389
Total Family Court Services	134,855	102,294	(32,561)	101,389
Social Services:				
Young Offender	11,354	-	(11,354)	-
JDC Block Grant	613,377	631,706	18,329	605,989
Juvenile confinement	101,330	101,331	1	102,236
Homeless intervention programs	137,000	137,000	-	207,227
Operation Match	-	-	-	24,022
Share Shelter Support	14,142	14,142	-	12,302
Virginia water quality improvement	-	15,000	15,000	24,525
Fraud free program	-	989	989	-
Total Social Services	877,203	900,168	22,965	976,301
Total other categorical aid	4,610,865	4,402,029	(221,269)	4,374,107
Total from the Commonwealth	72,263,364	68,663,879	(3,611,918)	63,874,298
From the Federal government:				
Payments in lieu of taxes:				
Non-departmental:				
Federally owned entitlement lands	3,000	-	(3,000)	1,741
Total payments in lieu of taxes	3,000	-	(3,000)	1,741
Categorical aid:				
Welfare/social services:				
Park and Recreation:				
Programs for the aging-Title III-F	4,675	5,672	997	5,759
Programs for the aging-Title III-C	52,963	52,963	-	53,845
Programs for the aging-Title III-B	57,420	57,420	-	55,198
Demonstrations VICAP	7,797	5,322	(2,475)	9,289
Senior community service employment	7,000	7,001	1	12,268
Retired seniors' volunteer program	29,405	29,405	-	28,274
Programs for the aging-Title IV	651	651	-	698
Total Park and Recreation	159,911	158,434	(1,477)	165,331
Social Services:				
Temporary Assistance to Needy Families	555,182	360,592	(194,590)	663,950
Other eligibility programs	418,600	-	(418,600)	-
Title IV	516,000	205,690	(310,310)	211,682
Juvenile accountability incentive	24,096	24,096	-	46,579
Child care for homeless children	-	14,562	14,562	1,102
Food Stamp Program	37,500	685,921	648,421	555,970
Refugee assistance	6,500	6,467	(33)	230,448
Foster care Assistance	133,821	545,291	411,470	478,841
Child Care Assistance	804,026	827,460	23,434	681,439
Discretionary Grants	44,013	51,949	7,936	38,915
Child Care and Development	636,945	774,536	137,591	567,321

**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**(With Comparative Actual Amounts for 2003)**

	2004			2003
	Budget	Actual	Variance Positive (Negative)	Actual
Child Welfare Services	43,764	129,716	85,952	45,988
Adoption Assistance	102,056	107,417	5,361	105,551
Social Services Block Grant	703,116	448,854	(254,262)	317,078
Independent Living	4,980	1,579	(3,401)	2,901
Medicaid Assistance	-	367,729	367,729	329,255
Food Stamp Program	-	-	-	9,319
Social Services Block Grant	88,178	340,621	252,443	341,395
Emergency Assistance	19,200	8,197	(11,003)	316,197
Romania-US Against Child Abuse (Need catalog no.)	-	-	-	2,477
Adoption incentive payment	10,343	10,153	(190)	4,901
Respite care for foster families	792	433	(359)	538
Total Social Services	4,149,112	4,911,263	762,151	4,951,847
Total welfare/social services	4,309,023	5,069,697	760,674	5,117,178
Education Aid:				
General Services:				
Other assistance	1,491,307	-	(1,491,307)	-
Total General Services	1,491,307	-	(1,491,307)	-
Total education aid	1,491,307	-	(1,491,307)	-
Total categorical aid	5,800,330	5,069,697	(730,633)	5,117,178
Other categorical aid:				
Commonwealth Attorney:				
V-stop	39,228	37,374	(1,854)	16,541
Total Commonwealth Attorney	39,228	37,374	(1,854)	16,541
Sheriff's Office:				
Drug Control and System Improvement	97,500	38,227	(59,273)	72,467
LLE block - Direct	26,971	26,971	-	17,211
Highway safety	7,807	7,731	(76)	8,333
Project Childsafe	-	1,500	1,500	500
Cops universal hiring program	182,500	120,625	(61,875)	118,125
Federal motor carrier safety	-	-	-	17,472
State criminal alien assistance	10,608	10,608	-	-
LLE block - Pass-through	3,634	-	(3,634)	18,339
Gang-free schools and community	454,525	454,525	-	-
Alcohol traffic safety	10,527	10,527	-	-
Safety incentives to prevent DUI	2,340	2,340	-	-
Total Sheriff's Office	796,412	673,054	(123,358)	252,447
General Services:				
Highway Planning and Construction (ISTEA)	232,892	1,722,753	1,489,861	-
Total General Services	232,892	1,722,753	1,489,861	-
Building and Development:				
Wetlands Mapping and Inventory	30,176	22,368	(7,808)	7,807
Streams Report NFWF	-	-	-	25,000
Total Building and Development	30,176	22,368	(7,808)	32,807
Fire and Rescue:				
FEMA - Emergency management preparedness	61,355	14,758	(46,597)	14,754
Consumer product safety	14,741	-	(14,741)	(4,429)
VDEM-US Department of Justice equipment	3,778	3,778	-	-
FEMA FY2002 assistance	140,000	140,000	-	-
Hazards emergency planning	36,615	36,615	-	-
Public emergency assistance	596	93,957	93,361	-
Total Fire and Rescue	257,085	289,108	32,023	10,325
Economic Development:				
Disaster assistance	24,498	-	(24,498)	-
Economic development	-	24,498	24,498	-
Total Economic Development	24,498	24,498	-	-

**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**(With Comparative Actual Amounts for 2003)**

	<b>2004</b>			<b>2003</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Actual</b>
Transportation:				
Highway safety	163,363	150,930	(12,433)	139,634
Highway planning and construction	73,586	73,586	-	38,400
Total Transportation	236,949	224,516	(12,433)	178,034
Library:				
Promotion of the humanities	700	700	-	10,480
Public Library Construction	900	900	-	-
Total Library	1,600	1,600	-	10,480
Community Corrections:				
Criminal Justice planning	80,590	38,480	(42,110)	26,485
Total Community Corrections	80,590	38,480	(42,110)	26,485
Mental Health and Mental Retardation:				
Public Health and Social Services Emergency Fund	154,734	24,095	(130,639)	119,178
Terrorism FEMA crisis counseling	-	-	-	438
Prevention and Treatment of Drug Abuse	123,560	372,856	249,296	429,406
Young Offender	-	42,588	42,588	-
Early intervention-substance abuse	302,361	295,678	(6,683)	194,359
Path	3,008	30,033	27,025	29,473
Community Mental Health Services	-	24,532	24,532	14,532
Mental Health Disaster Assistance and Emergency	345,339	192,772	(152,567)	401,053
Virginia Incentive (SIG)	43,205	70,493	27,288	63,751
TOPPS	-	-	-	1,250
MH Child Development	-	2,642	2,642	18,383
Total Mental Health and Mental Retardation	972,207	1,055,689	83,482	1,271,823
Parks and Recreation:				
National Family Caregiver Support	16,171	16,171	-	21,842
Highway Planning and Construction (ISTEA)	-	-	-	6,294
Title II-Weekenders	240,000	240,000	-	47,396
Title V-YAS (Need catalog no.)	33,266	33,265	(1)	-
Girls, Inc	65,000	58,936	(6,064)	38,389
Nutrition Program for the Elderly	37,516	37,516	-	38,155
Recreation Trails Program	-	-	-	24,494
Total Parks and Recreation	391,953	385,868	(6,065)	176,570
Family Court Services:				
Young Offender	-	22,560	22,560	-
Loudoun School Probation Program	223,469	223,469	-	90,953
Total Family Court Services	223,469	246,029	22,560	90,953
Social Services:				
Food distribution services	26,159	40,022	13,863	25,594
Housing-homeless	168,338	156,947	(11,391)	155,546
HOPWA	135,166	66,388	(68,778)	70,491
Housing-rental subsidy	9,455	5,659	(3,796)	4,546
RHY basic center program	-	-	-	9,960
Housing-assistance	47,076	-	(47,076)	(999)
Young Offender	-	11,030	11,030	-
Share Shelter Support	40,202	25,640	(14,562)	52,022
Housing Counseling Assistance	-	-	-	2,700
Fraud free program	-	989	989	-
Total Social Services	426,396	306,675	(119,721)	319,860
Total other categorical aid	3,713,455	5,028,032	1,314,577	2,386,325
Total from the Federal government	9,516,785	10,097,729	580,944	7,505,244
<b>Total Revenues</b>	<b>592,813,959</b>	<b>629,057,926</b>	<b>36,231,534</b>	<b>540,225,953</b>



**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**(With Comparative Actual Amounts for 2003)**

	2004			2003
	Budget	Actual	Variance Positive (Negative)	Actual
<b>EXPENDITURES</b>				
<u>General government administration:</u>				
Legislative:				
Boards, commissions and committees	1,309,528	968,656	340,872	1,012,724
County administrator	832,679	838,848	(6,169)	792,869
General services	3,000	3,000	-	3,000
Total legislative	2,145,207	1,810,504	334,703	1,808,593
General and financial administration:				
Boards, commissions and committees	54,396	43,187	11,209	53,010
County administrator	1,129,613	1,020,542	109,071	976,072
Public information & volunteer services	436,405	360,081	76,324	321,013
County attorney	3,604,234	3,391,955	212,279	3,527,503
Treasurer	3,221,500	2,834,443	387,057	2,599,551
Commissioner of the revenue	2,030,323	1,873,930	156,393	1,874,408
Management and financial services	10,369,407	8,896,509	1,472,898	8,925,935
Information technology	12,998,136	11,058,700	1,939,436	10,624,331
General services	1,574,316	1,384,718	189,598	1,430,873
Nondepartmental	3,162,644	464,309	2,698,335	76,682
Total general and financial administration	38,580,974	31,328,374	7,252,600	30,409,378
Elections administration:				
Boards, commissions and committees	234,425	212,874	21,551	237,515
General registrar	338,953	306,096	32,857	309,717
General services	91,989	97,963	(5,974)	91,417
Total elections administration	665,367	616,933	48,434	638,649
Total general government administration	41,391,548	33,755,811	7,635,737	32,856,620
<u>Judicial administration:</u>				
Courts:				
Clerk of the circuit court	2,698,960	2,318,579	380,381	3,362,652
Sheriff	1,784,047	1,723,535	60,512	1,469,670
General services	554,502	453,230	101,272	407,225
Courts (circuit and district)	937,147	758,398	178,749	706,438
Total courts	5,974,656	5,253,742	720,914	5,945,985
Commonwealth's attorney:				
Commonwealth's attorney	2,495,746	2,310,264	185,482	2,195,080
Total Commonwealth's attorney	2,495,746	2,310,264	185,482	2,195,080
Total judicial administration	8,470,402	7,564,006	906,396	8,141,065
<u>Public Safety:</u>				
Law enforcement and traffic control:				
Regional organizations and contributions	564,418	529,512	34,906	533,095
Sheriff	23,825,520	23,991,845	(166,325)	20,965,794
General services	871,016	795,087	75,929	817,736
Total law enforcement and traffic control	25,260,954	25,316,444	(55,490)	22,316,625
Fire and rescue services:				
Boards, commissions & committees	5,874	60	5,814	173
General services	401,031	433,674	(32,643)	376,185
Fire, rescue and emergency services	26,421,820	24,139,394	2,282,426	20,385,098
Total fire and rescue services	26,828,725	24,573,128	2,255,597	20,761,456
Corrections and detention:				
Sheriff	6,927,200	7,026,883	(99,683)	6,125,830
General services	310,021	240,993	69,028	234,469
Community court services	1,002,146	847,562		808,544
Parks and recreation	254,433	257,767	(3,334)	243,302
Family court service unit	1,006,139	917,579	88,560	790,946
Social services	2,097,968	2,016,034	81,934	1,821,685
Total corrections and detention	11,597,907	11,306,818	136,505	10,024,776

**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**(With Comparative Actual Amounts for 2003)**

	2004		Variance	2003
	Budget	Actual	Positive (Negative)	Actual
<b>Inspections:</b>				
Building & development	6,153,770	5,956,672	197,098	5,498,938
Total inspections	6,153,770	5,956,672	197,098	5,498,938
<b>Other protection:</b>				
Sheriff	2,653	3,300	(647)	2,100
General services	69,176	70,885	(1,709)	74,080
Animal control	1,721,779	1,546,876	174,903	1,487,040
Total other protection	1,793,608	1,621,061	172,547	1,563,220
Total public safety	71,634,964	68,774,123	2,706,257	60,165,015
<b>Public works:</b>				
Maintenance of highways, bridges and sidewalks:				
General services	3,048,969	2,521,414	527,555	1,611,059
Office of transportation	3,835,994	3,635,965	200,029	2,951,300
Total maintenance of highways, streets, bridges and sidewa	6,884,963	6,157,379	727,584	4,562,359
Sanitation and waste removal:				
General services	93,033	76,408	16,625	53,496
Office of solid waste management	2,819,569	2,417,495	402,074	2,040,686
Total sanitation and waste removal	2,912,602	2,493,903	418,699	2,094,182
Maintenance of general buildings and grounds:				
General services	9,004,631	7,278,316	1,726,315	6,567,473
Total maintenance of general buildings and grounds	9,004,631	7,278,316	1,726,315	6,567,473
Total public works	18,802,196	15,929,598	2,872,598	13,224,014
<b>Health and Welfare:</b>				
Health:				
Boards, commissions and committees	9,250	7,750	1,500	7,750
Regional organizations and contributions	209,922	202,302	7,620	184,245
Health services	3,664,606	3,407,985	256,621	3,350,797
Total health	3,883,778	3,618,037	265,741	3,542,792
Mental health and mental retardation:				
Boards, commissions and committees	10,289	10,354	(65)	6,269
General services	305,364	266,343	39,021	432,897
Mental health and mental retardation	21,447,056	19,517,262	1,929,794	18,597,854
Total mental health and mental retardation	21,762,709	19,793,959	1,968,750	19,037,020
Property tax relief for the elderly/handicapped:				
Nondepartmental	1,800,000	2,444,129	(644,129)	2,086,333
Total property tax relief-elderly/handicapped	1,800,000	2,444,129	(644,129)	2,086,333
Welfare/social services:				
Boards, commissions and committees	4,158	2,102	2,056	2,548
Regional organizations and contributions	508,121	499,380	8,741	422,589
General services	920,451	714,050	206,401	731,761
Parks and recreation	3,207,978	3,065,807	142,171	2,987,421
Social services	16,276,472	14,275,879	2,000,593	13,870,586
Total welfare/social services	20,917,180	18,557,218	2,359,962	18,014,905
Total health and welfare	48,383,667	44,413,343	3,950,324	42,681,050
<b>Parks, recreation and culture:</b>				
Parks and recreation:				
Regional organizations	779,379	779,379	-	667,393
Information Technology	17,819	12,751	5,068	18,978
General Services	1,635,009	1,533,979	101,030	342,626
Parks and recreation	18,249,186	16,863,016	1,386,170	15,450,828
Total parks and recreation	20,681,393	19,189,125	1,492,268	16,479,625

**COUNTY OF LOUDOUN, VIRGINIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**  
**(With Comparative Actual Amounts for 2003)**

	2004			2003
	Budget	Actual	Variance Positive (Negative)	Actual
Cultural enrichment:				
Regional organizations and contributions	353,514	353,514	-	383,816
General services	89,998	77,428	12,570	-
Parks and recreation	107,796	110,756	(2,960)	103,033
Total cultural enrichment	551,308	541,698	9,610	486,849
Library:				
Boards, commissions and committees	1,487	1,004	483	984
General services	432,996	306,712	126,284	280,499
Library services	9,457,496	8,710,200	747,296	7,207,878
Total library	9,891,979	9,017,916	874,063	7,489,361
Total parks, recreation and culture	31,124,680	28,748,739	2,375,941	24,455,835
<u>Community development:</u>				
Planning and community development:				
Boards, commissions and committees	232,193	211,605	20,588	184,571
County administrator	303,936	144,250	159,686	280,230
Regional organizations and contributions	413,332	413,332	-	392,462
General services	3,085,866	3,094,090	(8,224)	1,199,038
Building & development	9,555,575	8,526,762	1,028,813	7,948,580
Planning, zoning and community development	2,358,917	1,958,501	400,416	1,992,421
Economic development	2,174,722	1,751,991	422,731	1,489,702
Office of mapping and geographic information	1,869,019	1,621,646	247,373	1,594,477
Office of transportation	525,170	579,253	(54,083)	390,568
Total planning and community development	20,518,730	18,301,430	2,217,300	15,472,049
Environmental management:				
Boards, commissions, and committees	195,024	447,795	(252,771)	452,726
Office of solid waste management	940,123	781,714	158,409	784,900
Total environmental management	1,135,147	1,229,509	(94,362)	1,237,626
Cooperative extension program:				
Public information & volunteer services	263,656	200,185	63,471	216,210
General services	3,200	(83)	3,283	33,923
Extension services	455,244	428,854	26,390	412,151
Total cooperative extension program	722,100	628,956	93,144	662,284
Total community development	22,375,977	20,159,895	2,216,082	17,371,959
<u>Education:</u>				
Community colleges:				
Regional organizations and contributions	204,889	204,889	-	187,111
Total community colleges	204,889	204,889	-	187,111
Total education	204,889	204,889	-	187,111
<b>Total Expenditures</b>	<b>242,368,323</b>	<b>219,550,404</b>	<b>22,663,335</b>	<b>199,082,669</b>
<b>Excess of revenues over expenditures</b>	<b>350,445,636</b>	<b>409,507,522</b>	<b>58,894,869</b>	<b>341,143,284</b>
<b>Other financing sources (uses):</b>				
Transfers-in	1,130,359	949,125	(181,234)	974,541
Transfers-out	(68,059,523)	(61,263,599)	6,795,924	(70,256,384)
Operating transfers in-component unit	-	348,875	348,875	331,269
Operating transfers out-component unit	(311,476,960)	(318,466,529)	(6,989,569)	(276,554,125)
Lease/purchase financing	865,000	-	(865,000)	-
Total other financing sources (uses)	(377,541,124)	(378,432,128)	(891,004)	(345,504,699)
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(27,095,488)</b>	<b>31,075,394</b>	<b>58,170,882</b>	<b>(4,361,415)</b>
<b>Fund balances at beginning of year</b>	<b>88,020,241</b>	<b>88,020,241</b>	<b>-</b>	<b>92,381,656</b>
<b>Fund balances at end of year</b>	<b>\$ 60,924,753</b>	<b>\$ 119,095,635</b>	<b>\$ 58,170,882</b>	<b>\$ 88,020,241</b>

# Nonmajor Governmental Funds

## Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Route 28 Special Improvements Fund** - This fund is used to account for the proceeds from the Route 28 Transportation Taxing District that are legally restricted to expenditures for transportation in that district.

**Broad Run Farms Sewer Improvements Fund** - This fund is used to account for the proceeds from the Broad Run Farms Sewer Taxing District that are legally restricted to expenditures for sewers in that district.

**Aldie Sewer Service District Fund** - This fund is used to account for the proceeds from the Aldie Sewer Service Taxing District that are legally restricted to expenditures for sewers in that district.

**Comprehensive Services Act Fund** - This fund is used to account for the general operations of the County's Comprehensive Services for At-Risk Youth and Families. Financing is provided primarily by transfers from General Fund and from State grants.

**Community Development Fund** - This fund is used to account for the operations of the Community Development Block Grant program. Financing is provided by the Federal grant to be used only for community development purposes.

**Legal Resource Center Fund** - This fund is used to account for the operations of the Law Library. Financing is provided through court order assessments and other contributions.

**Federally Forfeited Property Fund** - This fund is used to account for the proceeds from confiscated property that are restricted to use for law enforcement purposes.

**Hotel and Motel Room Tax Fund** - This fund is used to account for 3% of the 5% Transient Occupancy Tax collected from lodging facilities in the County. These funds are used to promote tourism in the County (2% of Transient Occupancy Tax collected is unrestricted and is used as part of the General Fund).

**County-Wide Sewer Service District Fund** - This fund is used to account for the proceeds from the Virginia Resources Authority that are legally restricted to expenditures for small water facility projects in the County.

**Hamilton Sewer Service District Fund** - This fund is used to account for the proceeds from the Hamilton Sewer Service Taxing District that are legally restricted to expenditures for sewers in that district.

**Community Development Authority Fund** - This fund is designed to collect a special assessment on real property for the purpose of paying debt service to finance and construct public infrastructure at the Dulles Town Center development.

**Purchase of Development Rights Fund** - This fund is used to account for the County-managed Purchase of Development Rights program. These funds are used to enter agreements with landowners to purchase development rights of their property.

**Emergency 911 Fund** - This fund is used to account for the operations of the County's Emergency Communications Center. Financing is provided by local fees and charges, State funding, and transfers from the General Fund.

**Rental Assistance Fund** - This fund is used to account for proceeds received from the U.S. Department of Housing and Urban Development (HUD) so the County can act as direct administrator for the Section 8 Rental Assistance Program.

**Public Transportation Fund** - This fund is used to account for the County's share of construction costs associated with Phases II and III of the Dulles Transit Project. These funds are restricted to this project.

**Revenue Maximization Fund** - This fund is designed to secure additional Federal revenue for local social service activities. The new funds cannot be used to supplant other funds. These funds cannot be substituted for existing financial commitments on the part of the state and local government.

**Loudoun Legacy Fund** - This fund is designed to provide citizens the opportunity to voluntarily contribute funds above and beyond the taxes levied on real estate. Donors have the ability to designate any contributions for the departments and agencies of their choice and the fund is restricted accordingly.

**State and Local Emergency Preparedness** - The State and Local Emergency Preparedness (SLEP) Program is available through a Department of Defense grant. These SLEP funds will be used to acquire equipment needed to adequately respond to incidents of terrorism. The County's funds will be used to expand the Mobile Data Terminal Program to improve communication capabilities for public safety personnel.

**Public Facilities Trust Fund** - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for any public facility or service purposes.

**Sheriff's Trust Fund** - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for law enforcement purposes.

**Animal Shelter Trust Fund** - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the animal shelter.

**Housing Trust Fund** - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for affordable housing in the County.

**Transportation District Trust Fund** - This fund is used to account for monies collected as local gas sales tax, restricted to use for transportation purposes.

**Environmental Trust Fund** - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to the use for environmentally sensitive purposes.

**Uran Holocaust Trust Fund** - This fund is used to account for monies provided by a private donor, restricted to use for the purchase of educational holocaust materials in the libraries.

**Beautification Trust Fund** - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the planting of trees on the Route 15 bypass.

**Horton Program For The Arts Trust Fund** - This fund is used to account for monies provided by private donors, restricted to use for the funding of cultured and arts programs at the Eastern Loudoun Regional Library.

### **Capital Funds**

Capital funds are used to account for the acquisition, construction or replacement of major capital facilities other than those financed by proprietary funds and trust funds.

**Capital Projects Fund** - This fund is used to account for the purchase and/or construction of major capital facilities, including buildings, land, major equipment, and other long-lived improvements for the general government. Financing is provided primarily by bond issues, State and Federal grants, and transfers from the General Fund.

**Capital Asset Replacement Fund** - This fund is used to account for the repair and/or replacement of major capital facilities, including buildings, major equipment, and other long-lived improvements for the general government. Financing is provided primarily by transfers from the General Fund.

### **Debt Service Funds**

**Debt Service Fund** - This fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs. Financing is provided primarily by transfers from the General Fund.

### **Permanent Fund**

**Peabody Trust Fund** - This fund is used to account for monies provided through a private donor, the corpus of which is nonexpendable. The interest earned on fund assets may be used only for school expenses.



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COUNTY OF LOUDOUN, VIRGINIA  
COMBINING BALANCE SHEET  
OTHER GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2004

	Special Revenue Funds					
	Route 28 Special Improvements	Broad Run Farms Sewer Improvements	Aldie Sewer Service District	Comprehensive Services Act	Community Development	Legal Resource Center
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 1,901,011	\$ 1,420,683	\$ 57,311	\$ 2,089,391	\$ 5,376	\$ 5,019
Cash and Investments with Fiscal Agents	-	-	-	-	-	-
Receivables, Net:						
Taxes	101,856	8,031	7,530	-	-	-
Accounts	-	-	-	8,148	-	-
Due from Other Governments	-	-	-	973,622	-	-
Advances to Employees	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-
Notes and Loans Receivable, Net	-	-	-	-	220	-
<b>Total Assets</b>	<u>\$ 2,002,867</u>	<u>\$ 1,428,714</u>	<u>\$ 64,841</u>	<u>\$ 3,071,161</u>	<u>\$ 5,596</u>	<u>\$ 5,019</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts Payable	\$ 1,901,011	\$ 341	\$ -	\$ 604,129	\$ -	\$ 8,262
Accrued Liabilities	-	-	-	1,655	-	865
Prepaid Revenue	10,169	6,270	-	-	-	-
Deferred Revenue:						
Property Taxes	101,856	8,031	7,530	-	-	-
Other	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Other Liabilities	-	-	-	-	17,765	-
<b>Total Liabilities</b>	<u>2,013,036</u>	<u>14,642</u>	<u>7,530</u>	<u>605,784</u>	<u>17,765</u>	<u>9,127</u>
Fund Balances:						
Reserved for:						
Encumbrances	-	-	-	138	-	-
Prepaid Items	-	-	-	-	-	-
Notes and Loan Receivable	-	-	-	-	220	-
Permanent Fund-Expendable	-	-	-	-	-	-
Permanent Fund-Nonexpendable	-	-	-	-	-	-
Unreserved, reported in:						
Special Revenue Funds:						
Designated for Fiscal Cash Liquidity	-	-	-	360,000	-	-
Undesignated	(10,169)	1,414,072	57,311	2,105,239	(12,389)	(4,108)
Capital Project Funds:						
Designated for Capital Appropriations	-	-	-	-	-	-
<b>Total Fund Balances</b>	<u>(10,169)</u>	<u>1,414,072</u>	<u>57,311</u>	<u>2,465,377</u>	<u>(12,169)</u>	<u>(4,108)</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,002,867</u>	<u>\$ 1,428,714</u>	<u>\$ 64,841</u>	<u>\$ 3,071,161</u>	<u>\$ 5,596</u>	<u>\$ 5,019</u>

Federally Forfeited Property	Hotel and Motel Room Tax	County-Wide Sewer Service District	Hamilton Sewer Service District	Community Development Authority	Purchase of Development Rights	Emergency 911 Fees	Rental Assistance Program	Public Transportation Fund
\$133,259	\$ -	\$ 282,316	\$ 239,614	\$ 1,231,926	\$ 81,250	\$ 5,642,045	\$ -	\$ 32,964
-	-	-	-	-	-	-	-	-
-	-	-	4,560	-	-	-	-	-
-	118,281	-	-	-	-	-	24,846	-
-	-	-	-	-	-	22,281	125,454	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	589,573	-
-	-	268,264	81,486	-	-	-	-	-
<u>\$133,259</u>	<u>\$ 118,281</u>	<u>\$ 550,580</u>	<u>\$ 325,660</u>	<u>\$ 1,231,926</u>	<u>\$ 81,250</u>	<u>\$ 5,664,326</u>	<u>\$ 739,873</u>	<u>\$ 32,964</u>
\$ 8,739	\$ -	\$ 220	\$ 46,551	\$ -	\$ -	\$ 76,372	\$ 8,247	\$ -
-	-	-	-	-	-	107,980	18,086	-
-	-	-	1,357	-	-	-	-	-
-	-	-	4,560	-	-	-	-	-
-	-	282,557	-	-	-	-	-	-
-	242,569	-	-	-	-	747,787	580,709	-
12,297	-	-	-	-	-	-	132,831	-
<u>21,036</u>	<u>242,569</u>	<u>282,777</u>	<u>52,468</u>	<u>-</u>	<u>-</u>	<u>932,139</u>	<u>739,873</u>	<u>-</u>
24,205	-	4,500	-	-	-	298,214	2,460	-
-	-	-	-	-	-	-	589,573	-
-	-	268,264	81,486	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	350,000	-	-
88,018	(124,288)	(4,961)	191,706	1,231,926	81,250	4,083,973	(592,033)	32,964
-	-	-	-	-	-	-	-	-
112,223	(124,288)	267,803	273,192	1,231,926	81,250	4,732,187	-	32,964
<u>\$133,259</u>	<u>\$ 118,281</u>	<u>\$ 550,580</u>	<u>\$ 325,660</u>	<u>\$ 1,231,926</u>	<u>\$ 81,250</u>	<u>\$ 5,664,326</u>	<u>\$ 739,873</u>	<u>\$ 32,964</u>



COUNTY OF LOUDOUN, VIRGINIA  
COMBINING BALANCE SHEET  
OTHER GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2004

	Special Revenue Funds						
	Revenue Maximization	Loudoun Legacy	State & Local Emergency Preparedness	Public Facilities Trust	Sheriff's Trust	Animal Shelter Trust	Housing Trust
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 1,250,856	\$ 100	\$ -	\$ 54,003,287	\$ 29,857	\$ 218,254	\$ 636,181
Cash and Investments with Fiscal Agents	-	-	-	-	-	-	-
Receivables, Net:							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Due from Other Governments	-	-	325,234	-	-	-	-
Advances to Employees	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-	-
Notes and Loans Receivable, Net	-	-	-	-	-	-	59,000
<b>Total Assets</b>	<u>\$ 1,250,856</u>	<u>\$ 100</u>	<u>\$ 325,234</u>	<u>\$ 54,003,287</u>	<u>\$ 29,857</u>	<u>\$ 218,254</u>	<u>\$ 695,181</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts Payable	\$ 9,761	\$ -	\$ 211,519	\$ 468,024	\$ 281	\$ -	\$ -
Accrued Liabilities	16,450	-	-	-	-	-	-
Prepaid Revenue	-	-	-	-	-	-	-
Deferred Revenue:							
Property Taxes	-	-	-	-	-	-	-
Other	1,224,645	-	-	-	-	-	-
Due to Other Funds	-	-	113,715	-	-	-	-
Other Liabilities	-	-	-	102,359	-	-	-
<b>Total Liabilities</b>	<u>1,250,856</u>	<u>-</u>	<u>325,234</u>	<u>570,383</u>	<u>281</u>	<u>-</u>	<u>-</u>
Fund Balances:							
Reserved for:							
Encumbrances	572	-	282,247	-	-	-	-
Prepaid Items	-	-	-	-	-	-	-
Notes and Loan Receivable	-	-	-	-	-	-	59,000
Permanent Fund-Expendable	-	-	-	-	-	-	-
Permanent Fund-Nonexpendable	-	-	-	-	-	-	-
Unreserved, reported in:							
Special Revenue Funds:							
Designated for Fiscal Cash Liquidity	-	-	-	-	-	-	-
Undesignated	(572)	100	(282,247)	53,432,904	29,576	218,254	636,181
Capital Project Funds:							
Designated for Capital Appropriations	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<u>-</u>	<u>100</u>	<u>-</u>	<u>53,432,904</u>	<u>29,576</u>	<u>218,254</u>	<u>695,181</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,250,856</u>	<u>\$ 100</u>	<u>\$ 325,234</u>	<u>\$ 54,003,287</u>	<u>\$ 29,857</u>	<u>\$ 218,254</u>	<u>\$ 695,181</u>

Transportation District Trust	Environmental Trust	Uran Holocaust Trust	Beautification Trust	Horton Program For the Arts Trust	Capital Fund Capital Asset Replacement	Permanent Fund Peabody Trust Fund	Total Other Governmental Funds
\$ -	\$ 1,488	\$ 724,781	\$ 6,209	\$ 11,753	\$ 5,360,802	\$ 44,637	\$ 75,410,370
17,753,721	-	-	-	-	-	-	17,753,721
-	-	-	-	-	-	-	121,977
930,870	-	-	-	-	-	-	1,082,145
-	-	-	-	-	-	-	1,446,591
-	-	-	-	-	30	149	179
-	-	-	-	-	-	-	589,573
-	-	-	-	-	-	-	408,970
<u>\$18,684,591</u>	<u>\$ 1,488</u>	<u>\$ 724,781</u>	<u>\$ 6,209</u>	<u>\$ 11,753</u>	<u>\$ 5,360,832</u>	<u>\$ 44,786</u>	<u>\$ 96,813,526</u>
\$ 534,457	\$ -	\$ 591	\$ -	\$ -	\$ 204,091	\$ -	\$ 4,082,596
-	-	-	-	-	-	-	145,036
-	-	-	-	-	-	-	17,796
-	-	-	-	-	-	-	121,977
-	-	-	-	-	-	-	1,507,202
7,558,990	-	-	-	-	-	-	9,243,770
-	-	-	-	-	-	-	265,252
<u>8,093,447</u>	<u>-</u>	<u>591</u>	<u>-</u>	<u>-</u>	<u>204,091</u>	<u>-</u>	<u>15,383,629</u>
124,116	-	15,383	-	27	515,712	-	1,267,574
-	-	-	-	-	-	-	589,573
-	-	-	-	-	-	-	408,970
-	-	-	-	-	-	9,065	9,065
-	-	-	-	-	-	35,721	35,721
-	-	-	-	-	-	-	710,000
10,467,028	1,488	708,807	6,209	11,726	-	-	73,767,965
-	-	-	-	-	4,641,029	-	4,641,029
<u>10,591,144</u>	<u>1,488</u>	<u>724,190</u>	<u>6,209</u>	<u>11,753</u>	<u>5,156,741</u>	<u>44,786</u>	<u>81,429,897</u>
<u>\$18,684,591</u>	<u>\$ 1,488</u>	<u>\$ 724,781</u>	<u>\$ 6,209</u>	<u>\$ 11,753</u>	<u>\$ 5,360,832</u>	<u>\$ 44,786</u>	<u>\$ 96,813,526</u>

COUNTY OF LOUDOUN, VIRGINIA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
OTHER GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2004

	Special Revenue Funds					
	Route 28 Special Improvements	Broad Run Farms Sewer Improvements	Aldie Sewer Service District	Comprehensive Services Act	Community Development	Legal Resource Center
<b>REVENUES</b>						
General Property Taxes	\$ 5,594,279	\$ 995,375	\$ 44,822	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	3,265,163	-	-
Charges for Services	-	-	-	-	-	24,895
Use of Money and Property	-	-	-	-	-	-
Recovered Costs	-	-	-	472,867	-	-
Gifts and Donations	-	-	-	-	-	-
Miscellaneous	-	-	-	-	220	-
<b>Total Revenues</b>	<u>5,594,279</u>	<u>995,375</u>	<u>44,822</u>	<u>3,738,030</u>	<u>220</u>	<u>24,895</u>
<b>EXPENDITURES</b>						
Current Operating:						
Judicial Administration	-	-	-	-	-	40,013
Public Safety	-	-	-	-	-	-
Public Works	5,723,254	144,693	27,476	-	-	-
Health and Welfare	-	-	-	6,185,787	-	-
Parks, Recreation and Culture	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Service Charges	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>5,723,254</u>	<u>144,693</u>	<u>27,476</u>	<u>6,185,787</u>	<u>-</u>	<u>40,013</u>
<b>Excess (Deficiency) of Revenues</b>						
<b>Over (Under) Expenditures</b>	<u>(128,975)</u>	<u>850,682</u>	<u>17,346</u>	<u>(2,447,757)</u>	<u>220</u>	<u>(15,118)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	120,405	-	-	3,596,334	-	-
Transfers (Out)	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>120,405</u>	<u>-</u>	<u>-</u>	<u>3,596,334</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>(8,570)</u>	<u>850,682</u>	<u>17,346</u>	<u>1,148,577</u>	<u>220</u>	<u>(15,118)</u>
<b>Fund Balances at Beginning of Year</b>	<u>(1,599)</u>	<u>563,390</u>	<u>39,965</u>	<u>1,316,800</u>	<u>(12,389)</u>	<u>11,010</u>
<b>Fund Balances at End of Year</b>	<u>\$ (10,169)</u>	<u>\$ 1,414,072</u>	<u>\$ 57,311</u>	<u>\$ 2,465,377</u>	<u>\$ (12,169)</u>	<u>\$ (4,108)</u>

Federally Forfeited Property	Hotel and Motel Room Tax	County-Wide Sewer Service District	Hamilton Sewer Service District	Community Development Authority	Purchase of Development Rights	Emergency 911 Fees	Rental Assistance Program	Public Transportation Fund
\$ -	\$ -	\$ -	\$ 96,053	\$ 2,376,794	\$ -	\$ -	\$ -	\$ -
-	1,436,959	-	-	-	-	6,604,810	-	-
-	-	176,475	-	-	-	258,795	7,658,783	-
-	-	-	-	-	-	-	-	-
1,556	-	8,611	-	-	-	-	-	-
52,182	-	1,547	51	-	-	272,432	22,886	-
-	-	-	-	-	525	-	-	-
-	-	217,288	106,622	-	-	-	727	-
<u>53,738</u>	<u>1,436,959</u>	<u>403,921</u>	<u>202,726</u>	<u>2,376,794</u>	<u>525</u>	<u>7,136,037</u>	<u>7,682,396</u>	<u>-</u>
-	-	-	-	-	-	-	-	-
76,301	-	-	-	-	-	5,336,613	-	-
-	-	-	-	-	-	-	-	-
-	-	30,580	-	-	-	-	7,682,396	-
-	1,334,502	-	-	-	-	-	-	-
-	-	-	184,136	2,289,737	5,098,600	252	-	-
-	-	-	-	-	-	-	-	-
-	-	93,196	-	-	-	-	-	-
-	-	12,342	-	-	-	-	-	-
<u>76,301</u>	<u>1,334,502</u>	<u>136,118</u>	<u>184,136</u>	<u>2,289,737</u>	<u>5,098,600</u>	<u>5,336,865</u>	<u>7,682,396</u>	<u>-</u>
<u>(22,563)</u>	<u>102,457</u>	<u>267,803</u>	<u>18,590</u>	<u>87,057</u>	<u>(5,098,075)</u>	<u>1,799,172</u>	<u>-</u>	<u>-</u>
-	-	-	88,000	-	-	57,035	-	195,000
-	(137,147)	-	-	-	-	(27,008)	-	(195,000)
-	(137,147)	-	88,000	-	-	30,027	-	-
(22,563)	(34,690)	267,803	106,590	87,057	(5,098,075)	1,829,199	-	-
134,766	(69,598)	-	166,602	1,144,869	5,179,325	2,902,988	-	32,964
<u>\$112,223</u>	<u>\$ (124,288)</u>	<u>\$ 267,803</u>	<u>\$ 273,192</u>	<u>\$ 1,231,926</u>	<u>\$ 81,250</u>	<u>\$ 4,732,187</u>	<u>\$ -</u>	<u>\$ 32,964</u>

**COUNTY OF LOUDOUN, VIRGINIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**OTHER GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	Special Revenue Funds						
	Revenue Maximization	Loudoun Legacy	State & Local Emergency Preparedness	Public Facilities Trust	Sheriff's Trust	Animal Shelter Trust	Housing Trust
REVENUES							
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	-	-
Intergovernmental	432,287	-	899,886	-	-	7,496	-
Charges for Services	-	-	-	-	-	-	-
Use of Money and Property	-	-	-	533,257	-	2,211	-
Recovered Costs	1,054	-	-	-	-	-	-
Gifts and Donations	-	100	-	9,937,015	29,030	17,583	-
Miscellaneous	-	-	-	-	-	-	277,179
Total Revenues	433,341	100	899,886	10,470,272	29,030	27,290	277,179
EXPENDITURES							
Current Operating:							
Judicial Administration	-	-	-	-	-	-	-
Public Safety	63,703	-	764,928	527,650	23,727	-	-
Public Works	-	-	-	-	-	-	-
Health and Welfare	369,638	-	-	-	-	-	-
Parks, Recreation and Culture	-	-	-	-	-	-	-
Community Development	-	-	-	1,584,707	-	-	-
Education	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Debt Service:							
Principal Payments	-	-	-	-	-	-	-
Interest and Service Charges	-	-	-	-	-	-	-
Total Expenditures	433,341	-	764,928	2,112,357	23,727	-	-
Excess (Deficiency) of Revenues							
Over (Under) Expenditures	-	100	134,958	8,357,915	5,303	27,290	277,179
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers (Out)	-	-	(134,958)	(340,405)	-	-	-
Total Other Financing Sources (uses)	-	-	(134,958)	(340,405)	-	-	-
Net Change in Fund Balances	-	100	-	8,017,510	5,303	27,290	277,179
Fund Balances at Beginning of Year	-	-	-	45,415,394	24,273	190,964	418,002
Fund Balances at End of Year	\$ -	\$ 100	\$ -	\$ 53,432,904	\$ 29,576	\$ 218,254	\$ 695,181

Transportation District Trust	Environmental Trust	Uran Holocaust Trust	Beautification Trust	Horton Program For the Arts Trust	Capital Fund Capital Asset Replacement	Permanent Fund Peabody Trust Fund	Total Other Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,107,323
4,416,429	-	-	-	-	97,360	-	12,555,558
-	-	-	-	-	-	-	12,698,885
-	-	-	-	-	200	-	25,095
168,231	-	13,218	66	125	-	61	727,336
7,394	-	-	-	-	-	-	830,413
-	-	-	-	2,000	15,000	-	10,001,253
-	-	-	-	-	-	-	602,036
<u>4,592,054</u>	<u>-</u>	<u>13,218</u>	<u>66</u>	<u>2,125</u>	<u>112,560</u>	<u>61</u>	<u>46,547,899</u>
-	-	-	-	-	-	-	40,013
-	-	-	-	-	-	-	6,792,922
-	-	-	-	-	1,010,277	-	6,905,700
-	-	-	-	-	-	-	14,268,401
-	-	118,101	-	550	-	-	1,453,153
1,404,242	-	-	-	-	-	-	10,561,674
-	-	-	-	-	-	3,150	3,150
-	-	-	-	-	269,298	-	269,298
-	-	-	-	-	-	-	93,196
-	-	-	-	-	-	-	12,342
<u>1,404,242</u>	<u>-</u>	<u>118,101</u>	<u>-</u>	<u>550</u>	<u>1,279,575</u>	<u>3,150</u>	<u>40,399,849</u>
<u>3,187,812</u>	<u>-</u>	<u>(104,883)</u>	<u>66</u>	<u>1,575</u>	<u>(1,167,015)</u>	<u>(3,089)</u>	<u>6,148,050</u>
-	-	-	-	-	2,110,000	-	6,166,774
(1,407,249)	-	-	-	-	-	-	(2,241,767)
<u>(1,407,249)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,110,000</u>	<u>-</u>	<u>3,925,007</u>
1,780,563	-	(104,883)	66	1,575	942,985	(3,089)	10,073,057
8,810,581	1,488	829,073	6,143	10,178	4,213,756	47,875	71,356,840
<u>\$10,591,144</u>	<u>\$ 1,488</u>	<u>\$ 724,190</u>	<u>\$ 6,209</u>	<u>\$ 11,753</u>	<u>\$ 5,156,741</u>	<u>\$ 44,786</u>	<u>\$ 81,429,897</u>

COUNTY OF LOUDOUN, VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE  
 ROUTE 28 SPECIAL IMPROVEMENTS FUND  
 FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 5,815,670	\$ 5,594,279	\$ (221,391)
Transfers from Other Funds	141,190	120,405	(20,785)
Amounts Available for Appropriation	<u>5,956,860</u>	<u>5,714,684</u>	<u>(242,176)</u>
Charges to Appropriations (Outflows)			
Public Works	5,956,860	5,723,254	233,606
Total Charges to Appropriations	<u>5,956,860</u>	<u>5,723,254</u>	<u>233,606</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(8,570)	(8,570)
Fund Balance at Beginning of Year	(1,599)	(1,599)	-
Fund Balance at End of Year	<u>\$ (1,599)</u>	<u>\$ (10,169)</u>	<u>\$ (8,570)</u>

COUNTY OF LOUDOUN, VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE  
 BROAD RUN FARMS SEWER IMPROVEMENTS FUND  
 FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 144,688	\$ 995,375	\$ 850,687
Amounts Available for Appropriation	<u>144,688</u>	<u>995,375</u>	<u>850,687</u>
Charges to Appropriations (Outflows)			
Public Works	144,688	144,693	(5)
Total Charges to Appropriations	<u>144,688</u>	<u>144,693</u>	<u>(5)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations		850,682	850,682
Fund Balance at Beginning of Year	563,390	563,390	-
Fund Balance at End of Year	<u>\$ 563,390</u>	<u>\$ 1,414,072</u>	<u>\$ 850,682</u>



COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
ALDIE SEWER SERVICE DISTRICT FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 39,430	\$ 44,822	\$ 5,392
Amounts Available for Appropriation	39,430	44,822	5,392
Charges to Appropriations (Outflows)			
Public Works	39,430	27,476	11,954
Total Charges to Appropriations	39,430	27,476	11,954
Excess (Deficiency) of Resources Over Charges to Appropriations	-	17,346	17,346
Fund Balance at Beginning of Year	39,965	39,965	-
Fund Balance at End of Year	\$ 39,965	\$ 57,311	\$ 17,346

COUNTY OF LOUDOUN, VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE  
 COMPREHENSIVE SERVICES ACT FUND  
 FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Intergovernmental	\$ 4,069,563	\$ 3,265,163	\$ (804,400)
Recovered Costs	519,000	472,867	(46,133)
Transfers from Other Funds	3,596,334	3,596,334	-
Amounts Available for Appropriation	<u>8,184,897</u>	<u>7,334,364</u>	<u>(850,533)</u>
Charges to Appropriations (Outflows)			
Health and Welfare	8,395,429	6,185,787	2,209,642
Total Charges to Appropriations	<u>8,395,429</u>	<u>6,185,787</u>	<u>2,209,642</u>
Excess (Deficiency) of Resources Over			
Charges to Appropriations	(210,532)	1,148,577	1,359,109
Fund Balance at Beginning of Year	1,316,800	1,316,800	-
Fund Balance at End of Year	<u>\$ 1,106,268</u>	<u>\$ 2,465,377</u>	<u>\$ 1,359,109</u>

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
LEGAL RESOURCES CENTER FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Charges for Services	\$ 35,043	\$ 24,895	\$ (10,148)
Amounts Available for Appropriation	<u>35,043</u>	<u>24,895</u>	<u>(10,148)</u>
Charges to Appropriations (Outflows)			
Judicial Administration	45,043	40,013	5,030
Total Charges to Appropriations	<u>45,043</u>	<u>40,013</u>	<u>5,030</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(10,000)	(15,118)	(5,118)
Fund Balance at Beginning of Year	11,010	11,010	-
Fund Balance at End of Year	<u>\$ 1,010</u>	<u>\$ (4,108)</u>	<u>\$ (5,118)</u>

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
FEDERALLY FORFEITED PROPERTY FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Use of Money and Property	\$ -	\$ 1,556	\$ 1,556
Recovered Costs	-	52,182	52,182
Amounts Available for Appropriation	-	53,738	53,738
Charges to Appropriations (Outflows)			
Public Safety	73,300	76,301	(3,001)
Transfers to Other Funds	3,001	-	3,001
Total Charges to Appropriations	76,301	76,301	-
Excess (Deficiency) of Resources Over			
Charges to Appropriations	(76,301)	(22,563)	53,738
Fund Balance at Beginning of Year	134,786	134,786	-
Fund Balance at End of Year	\$ 58,485	\$ 112,223	\$ 53,738

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
HOTEL AND MOTEL ROOM TAX FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Other Local Taxes	\$ 1,400,400	\$ 1,436,959	\$ 36,559
Amounts Available for Appropriation	<u>1,400,400</u>	<u>1,436,959</u>	<u>36,559</u>
Charges to Appropriations (Outflows)			
Parks, Recreation and Culture	1,346,365	1,334,502	11,863
Transfers to Other Funds	43,595	137,147	(93,552)
Total Charges to Appropriations	<u>1,389,960</u>	<u>1,471,649</u>	<u>(81,689)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	10,440	(34,690)	(45,130)
Fund Balance at Beginning of Year	(89,598)	(89,598)	-
Fund Balance at End of Year	<u>\$ (79,158)</u>	<u>\$ (124,288)</u>	<u>\$ (45,130)</u>

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
HAMILTON SEWER SERVICE DISTRICT FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 110,000	\$ 96,053	\$ (13,947)
Recovered Costs	-	51	51
Miscellaneous	-	106,622	106,622
Transfers from Other Funds	88,000	88,000	-
Amounts Available for Appropriation	<u>198,000</u>	<u>290,726</u>	<u>92,726</u>
Charges to Appropriations (Outflows)			
Community Development	198,000	184,136	13,864
Total Charges to Appropriations	<u>198,000</u>	<u>184,136</u>	<u>13,864</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	106,590	106,590
Fund Balance at Beginning of Year	166,602	166,602	-
Fund Balance at End of Year	<u>\$ 166,602</u>	<u>\$ 273,192</u>	<u>\$ 106,590</u>

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
PURCHASE OF DEVELOPMENT RIGHTS FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Gifts and Donations	\$ -	\$ 525	\$ 525
Amounts Available for Appropriation	-	525	525
Charges to Appropriations (Outflows)			
Community Development	5,171,800	5,098,600	73,200
Total Charges to Appropriations	5,171,800	5,098,600	73,200
Excess (Deficiency) of Resources Over			
Charges to Appropriations	(5,171,800)	(5,098,075)	73,725
Fund Balance at Beginning of Year	5,179,325	5,179,325	-
Fund Balance at End of Year	<u>\$ 7,525</u>	<u>\$ 81,250</u>	<u>\$ 73,725</u>

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
EMERGENCY 911 FEES FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
<b>Resources (Inflows)</b>			
Other Local Taxes	\$ 5,372,405	\$ 6,604,810	\$ 1,232,405
Intergovernmental	239,813	258,795	18,982
Recovered Costs	-	272,432	272,432
Transfers from Other Funds	57,035	57,035	-
<b>Amounts Available for Appropriation</b>	<u>5,669,253</u>	<u>7,193,072</u>	<u>1,523,819</u>
<b>Charges to Appropriations (Outflows)</b>			
Public Safety	6,249,203	5,336,613	912,590
Community Development	-	252	(252)
Transfers to Other Funds	27,008	27,008	-
<b>Total Charges to Appropriations</b>	<u>6,276,211</u>	<u>5,363,873</u>	<u>912,338</u>
<b>Excess (Deficiency) of Resources Over Charges to Appropriations</b>	(606,958)	1,829,199	2,436,157
<b>Fund Balance at Beginning of Year</b>	2,902,988	2,902,988	-
<b>Fund Balance at End of Year</b>	<u>\$ 2,296,030</u>	<u>\$ 4,732,187</u>	<u>\$ 2,436,157</u>



COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
RENTAL ASSISTANCE PROGRAM FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
<b>Resources (Inflows)</b>			
Intergovernmental	\$ 7,751,706	\$ 7,658,783	\$ (92,923)
Recovered Costs	-	22,886	22,886
Miscellaneous	-	727	727
<b>Amounts Available for Appropriation</b>	<u>7,751,706</u>	<u>7,682,396</u>	<u>(69,310)</u>
<b>Charges to Appropriations (Outflows)</b>			
Health and Welfare	7,751,706	7,682,396	69,310
<b>Total Charges to Appropriations</b>	<u>7,751,706</u>	<u>7,682,396</u>	<u>69,310</u>
<b>Excess (Deficiency) of Resources Over Charges to Appropriations</b>	-	-	-
<b>Fund Balance at Beginning of Year</b>	-	-	-
<b>Fund Balance at End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF LOUDOUN, VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE  
 PUBLIC TRANSPORTATION FUND  
 FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Transfers from Other Funds	\$ 195,000	\$ 195,000	\$ -
Amounts Available for Appropriation	195,000	195,000	-
Charges to Appropriations (Outflows)			
Transfers to Other Funds	195,000	195,000	-
Total Charges to Appropriations	195,000	195,000	-
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	-
Fund Balance at Beginning of Year	32,964	32,964	-
Fund Balance at End of Year	\$ 32,964	\$ 32,964	\$ -

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
REVENUE MAXIMIZATION FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Intergovernmental	\$ 1,889,762	\$ 432,287	\$ (1,457,475)
Recovered Costs	-	1,054	1,054
Amounts Available for Appropriation	<u>1,889,762</u>	<u>433,341</u>	<u>(1,456,421)</u>
Charges to Appropriations (Outflows)			
Public Safety	65,058	63,703	1,355
Health and Welfare	1,824,704	369,638	1,455,066
Total Charges to Appropriations	<u>1,889,762</u>	<u>433,341</u>	<u>1,456,421</u>
Excess (Deficiency) of Resources Over			
Charges to Appropriations	-	-	-
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF LOUDOUN, VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE  
 STATE AND LOCAL EMERGENCY PREPAREDNESS FUND  
 FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Intergovernmental	\$ 899,887	\$ 899,886	\$ (1)
Amounts Available for Appropriation	899,887	899,886	(1)
Charges to Appropriations (Outflows)			
Public Safety	764,929	764,928	1
Transfers to Other Funds	134,958	134,958	-
Total Charges to Appropriations	899,887	899,886	1
Excess (Deficiency) of Resources Over			
Charges to Appropriations	-	-	-
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
PUBLIC FACILITIES FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
<b>Resources (Inflows)</b>			
Use of Money and Property	\$ 839	\$ 533,257	\$ 532,418
Gifts and Donations	17,791,951	9,937,015	(7,854,936)
<b>Amounts Available for Appropriation</b>	<u>17,792,790</u>	<u>10,470,272</u>	<u>(7,322,518)</u>
<b>Charges to Appropriations (Outflows)</b>			
Public Safety	-	527,650	(527,650)
Community Development	-	1,584,707	(1,584,707)
Education and Transfers to School Board	695,100	-	695,100
Transfers to Other Funds	17,097,690	340,405	16,757,285
<b>Total Charges to Appropriations</b>	<u>17,792,790</u>	<u>2,452,762</u>	<u>15,340,028</u>
<b>Excess (Deficiency) of Resources Over Charges to Appropriations</b>	-	8,017,510	8,017,510
<b>Fund Balance at Beginning of Year</b>	45,415,394	45,415,394	-
<b>Fund Balance at End of Year</b>	<u>\$ 45,415,394</u>	<u>\$ 53,432,904</u>	<u>\$ 8,017,510</u>

COUNTY OF LOUDOUN, VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE  
 TRANSPORTATION DISTRICT TRUST FUND  
 FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
<b>Resources (Inflows)</b>			
Other Local Taxes	\$ 5,312,337	\$ 4,416,429	\$ (895,908)
Use of Money and Property	-	168,231	168,231
Recovered Costs	7,394	7,394	-
<b>Amounts Available for Appropriation</b>	<u>5,319,731</u>	<u>4,592,054</u>	<u>(727,677)</u>
<b>Charges to Appropriations (Outflows)</b>			
Community Development	3,580,948	1,404,242	2,176,706
Transfers to Other Funds	1,559,981	1,407,249	152,732
<b>Total Charges to Appropriations</b>	<u>5,140,929</u>	<u>2,811,491</u>	<u>2,329,438</u>
<b>Excess (Deficiency) of Resources Over Charges to Appropriations</b>	178,802	1,780,563	1,601,761
<b>Fund Balance at Beginning of Year</b>	8,810,581	8,810,581	-
<b>Fund Balance at End of Year</b>	<u>\$ 8,989,383</u>	<u>\$ 10,591,144</u>	<u>\$ 1,601,761</u>

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
URAN HOLOCAUST TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
<b>Resources (Inflows)</b>			
Use of Money and Property	\$ 527	\$ 13,218	\$ 12,691
Gifts and Donations	145,000	-	(145,000)
Amounts Available for Appropriation	<u>145,527</u>	<u>13,218</u>	<u>(132,309)</u>
<b>Charges to Appropriations (Outflows)</b>			
Parks, Recreation and Culture	145,527	118,101	27,426
Total Charges to Appropriations	<u>145,527</u>	<u>118,101</u>	<u>27,426</u>
<b>Excess (Deficiency) of Resources Over Charges to Appropriations</b>	-	(104,883)	(104,883)
<b>Fund Balance at Beginning of Year</b>	829,073	829,073	-
<b>Fund Balance at End of Year</b>	<u>\$ 829,073</u>	<u>\$ 724,190</u>	<u>\$ (104,883)</u>

COUNTY OF LOUDOUN, VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE  
 HORTON PROGRAM FOR THE ARTS TRUST FUND  
 FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
<b>Resources (Inflows)</b>			
Use of Money and Property	\$ 793	\$ 125	\$ (668)
Gifts and Donations	14,603	2,000	(12,603)
<b>Amounts Available for Appropriation</b>	<u>15,396</u>	<u>2,125</u>	<u>(13,271)</u>
<b>Charges to Appropriations (Outflows)</b>			
Parks, Recreation and Culture	15,396	550	14,846
<b>Total Charges to Appropriations</b>	<u>15,396</u>	<u>550</u>	<u>14,846</u>
<b>Excess (Deficiency) of Resources Over</b>			
<b>Charges to Appropriations</b>	-	1,575	1,575
<b>Fund Balance at Beginning of Year</b>	10,178	10,178	-
<b>Fund Balance at End of Year</b>	<u>\$ 10,178</u>	<u>\$ 11,753</u>	<u>\$ 1,575</u>



COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Prior Years	Current Year	Total to Date	Project Authorization
<b>REVENUES</b>				
Other Local Taxes	\$ 1,002,535	\$ -	\$ 1,002,535	\$ 1,002,535
Intergovernmental	1,805,478	5,552,598	7,358,076	17,676,138
Permits and Licenses	29,405	600	30,005	14,900
Charges for Services	919,230	-	919,230	919,230
Use of Money and Property	3,337,876	425,845	3,763,721	4,703,698
Gifts and Donations	255,000	-	255,000	255,000
Miscellaneous	1,327,777	8,347	1,336,124	1,331,022
<b>Total Revenues</b>	<b>8,677,301</b>	<b>5,987,390</b>	<b>14,664,691</b>	<b>25,902,523</b>
<b>EXPENDITURES</b>				
Public Works	(1,027,779)	1,314,047	286,268	94,931,026
Capital Outlay	113,818,988	17,673,644	131,492,632	184,097,969
<b>Total Expenditures</b>	<b>112,791,209</b>	<b>18,987,691</b>	<b>131,778,900</b>	<b>279,028,995</b>
<b>Deficiency of Revenues Under Expenditures</b>	<b>(104,113,908)</b>	<b>(13,000,301)</b>	<b>(117,114,209)</b>	<b>(253,126,472)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	150,556,739	6,878,236	157,434,975	215,886,638
Transfers (Out)	(19,366,540)	-	(19,366,540)	(19,366,540)
Lease/Purchase Financing	18,297,643	38,726,000	57,023,643	57,013,643
<b>Total Other Financing Sources (Uses)</b>	<b>149,487,842</b>	<b>45,604,236</b>	<b>195,092,078</b>	<b>253,533,741</b>
<b>Net Change in Fund Balances</b>	<b>\$ 45,373,934</b>	<b>32,603,935</b>	<b>\$ 77,977,869</b>	<b>\$ 407,269</b>
<b>Fund Balance at Beginning of Year</b>		<b>45,373,934</b>		
<b>Fund Balance at End of Year</b>		<b>\$ 77,977,869</b>		

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
CAPITAL ASSET REPLACEMENT FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Prior Years	Current Year	Total to Date	Project Authorization
<b>REVENUES</b>				
Other Local Taxes	\$ 363,695	\$ 97,360	\$ 461,055	\$ 445,794
Intergovernmental	-	-	-	164,925
Permits and Licenses	33,132	-	33,132	33,132
Charges for Services	5,914	200	6,114	4,010
Use of Money and Property	146,000	-	146,000	-
Recovered Costs	970,772	-	970,772	894,210
Gifts and Donations	-	15,000	15,000	15,000
Miscellaneous	274	-	274	-
<b>Total Revenues</b>	<u>1,519,787</u>	<u>112,560</u>	<u>1,632,347</u>	<u>1,557,071</u>
<b>EXPENDITURES</b>				
Public Works	5,421,433	1,010,277	6,431,710	8,373,719
Capital Outlay	368,585	269,298	637,883	1,700,807
<b>Total Expenditures</b>	<u>5,790,018</u>	<u>1,279,575</u>	<u>7,069,593</u>	<u>10,074,526</u>
<b>Deficiency of Revenues Under Expenditures</b>	<u>(4,270,231)</u>	<u>(1,167,015)</u>	<u>(5,437,246)</u>	<u>(8,517,455)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	8,483,987	2,110,000	10,593,987	8,876,755
<b>Total Other Financing Sources (Uses)</b>	<u>8,483,987</u>	<u>2,110,000</u>	<u>10,593,987</u>	<u>8,876,755</u>
<b>Net Change in Fund Balances</b>	<u>\$ 4,213,756</u>	<u>942,985</u>	<u>\$ 5,156,741</u>	<u>\$ 359,300</u>
<b>Fund Balance at Beginning of Year</b>		<u>4,213,756</u>		
<b>Fund Balance at End of Year</b>		<u>\$ 5,156,741</u>		

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
<b>Resources (Inflows)</b>			
Use of Money and Property	\$ 1,100,000	\$ 978,024	\$ (121,976)
Transfers from Other Funds	59,263,043	59,263,043	-
Transfers from Component Units	11,133,179	11,133,179	-
Issuance Premium	-	8,433,093	8,433,093
Proceeds from capital lease	-	125,626,034	125,626,034
<b>Amounts Available for Appropriation</b>	<u>71,496,222</u>	<u>205,433,373</u>	<u>133,937,151</u>
<b>Charges to Appropriations (Outflows)</b>			
<b>Nondepartmental:</b>			
Debt Service	75,542,898	73,179,349	2,363,549
Transfers to Other Funds	-	11,500,000	(11,500,000)
Transfers to Component Units	1,759,466	101,698,466	(99,939,000)
Payments to Refunded Bond Escrow Agent	-	14,075,000	(14,075,000)
<b>Total Charges to Appropriations</b>	<u>77,302,364</u>	<u>200,452,815</u>	<u>(123,150,451)</u>
<b>Excess of Resources Over Charges to Appropriations</b>	<u>(5,806,142)</u>	<u>4,980,558</u>	<u>10,786,700</u>
<b>Fund Balance at Beginning of Year</b>	<u>35,272,584</u>	<u>35,272,584</u>	<u>-</u>
<b>Fund Balance at End of Year</b>	<u>\$ 29,466,442</u>	<u>\$ 40,253,142</u>	<u>\$ 10,786,700</u>

## Proprietary Funds

Proprietary funds are used to account for operations that are financed in the manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents. The County's proprietary fund types consist of the Central Services Fund and the Self-insurance Fund. The operations of these funds are generally intended to be self-supporting.

**Central Services Fund** - This fund is used to account for the financing of goods or services provided among County departments on a cost reimbursement basis and includes such activities as central duplicating, telephone, mail, support, and fleet management services.

**Self Insurance Fund** - This fund is used to account for the accumulation of resources to pay for losses incurred by the partial or total retention of risk of loss arising out of the assumption of risk rather than transferring that risk to a third party through the purchase of insurance and includes such retention as health insurance, workers compensation insurance and automobile physical damage insurance.

COUNTY OF LOUDOUN, VIRGINIA  
 COMBINING STATEMENT OF PROPRIETARY NET ASSETS  
 AS OF JUNE 30, 2004

	Central Service Funds							
	Duplicating	Telephone	Mail	Support	Vehicle Maintenance	Vehicle Replacement	Self Insurance	Total
<b>ASSETS</b>								
Current Assets:								
Cash and Cash Equivalents	\$ 92,363	\$ 547,611	\$ 14,714	\$ -	\$ 853,346	\$ 177,217	\$ 20,010,743	\$ 21,695,994
Cash with Fiscal Agents	-	-	-	-	-	-	1,835,372	1,835,372
Receivables, Net	1,591	9,959	-	-	136	-	65,619	77,305
Advances to employees	300	500	20	352	-	-	-	1,172
Inventory of Supplies	-	-	44,305	-	317,651	-	-	361,956
Prepaid Items	-	-	-	-	520	-	-	520
Total Current Assets	94,254	558,070	59,039	352	1,171,653	177,217	21,911,734	23,972,319
Noncurrent Assets:								
Capital Assets:								
Depreciable, Net	-	837,823	-	-	291,962	9,305,710	-	10,435,495
Total Noncurrent Assets	-	837,823	-	-	291,962	9,305,710	-	10,435,495
Total Assets	\$ 94,254	\$ 1,395,893	\$ 59,039	\$ 352	\$ 1,463,615	\$ 9,482,927	\$ 21,911,734	\$ 34,407,814
<b>LIABILITIES</b>								
Current Liabilities:								
Accounts Payable	\$ 34,641	\$ 82,210	\$ -	\$ 3,096	\$ 276,158	\$ 179,316	\$ 2,155,253	\$ 2,730,674
Due to Other Funds	-	-	-	12,104	-	-	-	12,104
Claims Liabilities	-	-	-	-	-	-	7,955,661	7,955,661
Accrued Liabilities	-	-	-	19,945	34,835	-	-	54,780
Total Current Liabilities	34,641	82,210	-	35,145	310,993	179,316	10,110,914	10,753,219
Noncurrent Liabilities:								
Claims Liabilities	-	-	-	-	-	-	2,052,451	2,052,451
Total Noncurrent Liabilities	-	-	-	-	-	-	2,052,451	2,052,451
Total Liabilities	\$ 34,641	\$ 82,210	\$ -	\$ 35,145	\$ 310,993	\$ 179,316	\$ 12,163,365	\$ 12,805,670
<b>NET ASSETS</b>								
Invested in Capital Assets,								
Net of Related Debt	\$ -	\$ 837,823	\$ -	\$ -	\$ 291,962	\$ 9,305,710	\$ -	\$ 10,435,495
Unrestricted (Deficit)	59,613	475,860	59,039	(34,793)	860,660	(2,099)	9,748,369	11,166,649
Total Net Assets	\$ 59,613	\$ 1,313,683	\$ 59,039	\$ (34,793)	\$ 1,152,622	\$ 9,303,611	\$ 9,748,369	\$ 21,602,144

COUNTY OF LOUDOUN, VIRGINIA  
STATEMENT OF CHANGES IN PROPRIETARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2004

	Central Service Funds							
	Duplicating	Telephone	Mail	Support	Vehicle Maintenance	Vehicle Replacement	Self Insurance	Total
<b>Operating Revenues:</b>								
Charges for services-Primary	\$ 742,119	\$ 1,079,449	\$ 499,759	\$ 721,767	\$ -	\$ 819,772	\$ 16,604,347	\$ 20,467,213
Charges for services-Component	-	-	-	-	6,877,734	-	41,587,933	48,465,667
Use of property	35,680	53,482	-	-	2,898	-	-	92,060
<b>Total Operating Revenues</b>	<u>777,799</u>	<u>1,132,931</u>	<u>499,759</u>	<u>721,767</u>	<u>6,880,632</u>	<u>819,772</u>	<u>58,192,280</u>	<u>69,024,940</u>
<b>Operating Expenses:</b>								
Claims	-	-	-	-	-	-	44,653,794	44,653,794
Personnel services	-	-	-	618,974	2,156,870	-	22,551	2,798,395
Other services and charges	682,033	608,726	201	114,700	1,342,935	37,236	9,957,989	12,743,820
Materials and supplies	95,766	15,713	479,609	6,842	3,318,492	136,961	-	4,053,383
Depreciation	-	538,673	-	-	53,403	2,872,096	-	3,464,172
<b>Total Operating Expenses</b>	<u>777,799</u>	<u>1,163,112</u>	<u>479,810</u>	<u>740,516</u>	<u>6,871,700</u>	<u>3,046,293</u>	<u>54,634,334</u>	<u>67,713,564</u>
<b>Operating Income (Loss)</b>	-	(30,181)	19,949	(18,749)	8,932	(2,226,521)	3,557,946	1,311,376
<b>Non-Operating Revenues:</b>								
Gain on Sale of Capital Assets	-	-	-	-	-	20,708	-	20,708
<b>Total Non-Operating Revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,708</u>	<u>-</u>	<u>20,708</u>
<b>Net Income (Loss) Before Operating Transfers</b>	<u>-</u>	<u>(30,181)</u>	<u>19,949</u>	<u>(18,749)</u>	<u>8,932</u>	<u>(2,205,813)</u>	<u>3,557,946</u>	<u>1,332,084</u>
Transfers in	-	-	-	-	-	1,048,188	700,000	1,748,188
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,048,188</u>	<u>700,000</u>	<u>1,748,188</u>
<b>Change in Net Assets</b>	-	(30,181)	19,949	(18,749)	8,932	(1,157,625)	4,257,946	3,080,272
<b>Net Assets at Beginning of Year</b>	59,613	1,343,864	39,090	(16,044)	1,143,690	10,461,236	5,490,423	18,521,872
<b>Net Assets at End of Year</b>	<u>\$ 59,613</u>	<u>\$ 1,313,683</u>	<u>\$ 59,039</u>	<u>\$ (34,793)</u>	<u>\$ 1,152,622</u>	<u>\$ 9,303,611</u>	<u>\$ 9,748,369</u>	<u>\$ 21,602,144</u>

**COUNTY OF LOUDOUN, VIRGINIA  
COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY - INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2004**

	Central Service Funds							
	Duplicating	Telephone	Mail	Support	Vehicle Maintenance	Vehicle Replacement	Self Insurance	Total
<b>Cash Flows from Operating Activities:</b>								
Receipts from Customers	\$ 776,906	\$1,131,122	\$ 499,759	\$ 721,767	\$ 6,880,666	\$ 819,772	\$ 58,142,496	\$ 68,972,488
Payments to Suppliers for Goods and Services	(763,121)	(699,016)	(485,045)	(134,808)	(4,548,431)	(126,435)	(10,005,968)	(16,762,824)
Claims Paid	-	-	-	-	-	-	(41,786,175)	(41,786,175)
Payments to Employees	-	-	-	(613,014)	(2,126,193)	-	(22,551)	(2,761,758)
<b>Net Cash Provided by Operating Activities</b>	<u>13,785</u>	<u>432,106</u>	<u>14,714</u>	<u>(26,055)</u>	<u>206,042</u>	<u>693,337</u>	<u>6,327,802</u>	<u>7,661,731</u>
<b>Cash Flows from Noncapital Financing Activities:</b>								
Transfers In	-	-	-	-	-	1,048,188	700,000	1,748,188
<b>Net Cash Flows Used in Noncapital Financing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,048,188</u>	<u>700,000</u>	<u>1,748,188</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>								
Additions to Capital Assets	-	(22,757)	-	-	(112,141)	(3,772,230)	-	(3,907,128)
Proceeds from Sale of Capital Assets	-	-	-	-	-	119,681	-	119,681
<b>Net Cash Flows from Capital and Related Financing Activities</b>	<u>-</u>	<u>(22,757)</u>	<u>-</u>	<u>-</u>	<u>(112,141)</u>	<u>(3,652,549)</u>	<u>-</u>	<u>(3,787,447)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>13,785</u>	<u>409,349</u>	<u>14,714</u>	<u>(26,055)</u>	<u>93,901</u>	<u>(1,911,024)</u>	<u>7,027,802</u>	<u>5,622,472</u>
Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year	78,578	138,262	-	26,055	759,445	2,088,241	14,818,313	17,908,894
<b>Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year</b>	<u>\$ 92,363</u>	<u>\$ 547,611</u>	<u>\$ 14,714</u>	<u>\$ -</u>	<u>\$ 853,346</u>	<u>\$ 177,217</u>	<u>\$ 21,846,115</u>	<u>\$ 23,531,366</u>
<b>Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities:</b>								
<b>Operating (Loss)</b>	<u>\$ -</u>	<u>\$ (30,181)</u>	<u>\$ 19,949</u>	<u>\$ (18,749)</u>	<u>\$ 8,932</u>	<u>\$ (2,226,521)</u>	<u>\$ 3,557,946</u>	<u>\$ 1,311,376</u>
<b>Adjustment Not Affecting Cash:</b>								
Depreciation	-	538,673	-	-	53,403	2,872,096	-	3,464,172
<b>(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:</b>								
Receivable, Net	(593)	(1,809)	-	-	34	-	(49,784)	(52,152)
Advances to employees	(300)	-	-	-	-	-	-	(300)
Inventory of Supplies	-	-	43,108	-	4,292	-	-	47,400
Accounts Payable	14,678	(64,744)	(822)	(5,119)	108,704	47,762	(47,979)	52,480
Due to Other Funds	-	(9,833)	(47,521)	(8,147)	-	-	-	(65,501)
Accrued Liabilities	-	-	-	5,960	30,677	-	-	36,637
Claims Liabilities	-	-	-	-	-	-	2,867,619	2,867,619
<b>Total Adjustments</b>	<u>13,785</u>	<u>462,287</u>	<u>(5,235)</u>	<u>(7,306)</u>	<u>197,110</u>	<u>2,919,858</u>	<u>2,769,856</u>	<u>6,350,355</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 13,785</u>	<u>\$ 432,106</u>	<u>\$ 14,714</u>	<u>\$ (26,055)</u>	<u>\$ 206,042</u>	<u>\$ 693,337</u>	<u>\$ 6,327,802</u>	<u>\$ 7,661,731</u>

## Fiduciary Funds

Trust and Agency Funds are used to account for the assets received and disbursed by the County government acting in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

### Private Purpose Trust Funds

Senior Center Trust Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the senior center.

War Memorial Trust Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the maintenance and improvement of the Vietnam Memorial.

### Agency Funds

Special Welfare Trust Fund - This fund is used to account for monies provided through the State and from private donors for regular assistance payments to recipients in the Aid to Dependent Children Program.

Performance Bond Fund - This fund is used to account for monies received from and returned to individuals and businesses who are required to have a performance bond for development. The County acts as an agent to hold the monies until performance is rendered.

Employee Benefits Distribution Fund - This fund is used to account for employee withholdings, employer contributions, and payments made for employee benefits.

Adult Detention Center (ADC) Inmate Trust Fund - This fund is used to account for monies held by inmates of the County's ADC at the time of incarceration.



COUNTY OF LOUDOUN, VIRGINIA  
 COMBINING STATEMENT OF PRIVATE PURPOSE TRUST NET ASSETS  
 AS OF JUNE 30, 2004

	<u>Senior Center</u>	<u>War Memorial</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 470	\$ 7,745	\$ 8,215
<b>Total Assets</b>	<u>\$ 470</u>	<u>\$ 7,745</u>	<u>\$ 8,215</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ -	\$ -
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>NET ASSETS</b>			
Held in Trust for Private Purposes	<u>\$ 470</u>	<u>\$ 7,745</u>	<u>\$ 8,215</u>

COUNTY OF LOUDOUN, VIRGINIA  
 STATEMENT OF CHANGES IN PRIVATE PURPOSE TRUST NET ASSETS  
 FOR THE YEAR ENDED JUNE 30, 2004

	Senior Center	War Memorial	Total
<b>ADDITIONS</b>			
Contributions:			
Gifts and Donations	\$ -	\$ -	\$ -
<b>Total Contributions</b>	-	-	-
Investment Earnings:			
Interest	-	83	83
<b>Total Investment Earnings</b>	-	83	83
<b>Total Additions</b>	-	83	83
<b>DEDUCTIONS</b>			
Benefits	-	-	-
<b>Total Deductions</b>	-	-	-
<b>Change in Net Assets</b>	-	83	83
<b>Net Assets at Beginning of Year</b>	470	7,662	8,132
<b>Net Assets at End of Year</b>	\$ \$ 470	\$ 7,745	\$ 8,215

COUNTY OF LOUDOUN, VIRGINIA  
 COMBINING BALANCE SHEET - AGENCY FUND  
 AS OF JUNE 30, 2004

	Special Welfare	Performance Bonds	Employee Benefits Distribution	ADC Inmate	Total
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 36,845	\$ 7,733,739	\$ 8,037,360	\$ 136,824	\$ 15,944,768
<b>Total Assets</b>	<u>\$ 36,845</u>	<u>\$ 7,733,739</u>	<u>\$ 8,037,360</u>	<u>\$ 136,824</u>	<u>\$ 15,944,768</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ -	\$ 8,037,360	\$ -	\$ 8,037,360
Funds Held in Trust for Others	36,845	7,733,739	-	136,824	7,907,408
<b>Total Liabilities</b>	<u>\$ 36,845</u>	<u>\$ 7,733,739</u>	<u>\$ 8,037,360</u>	<u>\$ 136,824</u>	<u>\$ 15,944,768</u>

COUNTY OF LOUDOUN, VIRGINIA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2004

	Balance July 1, 2003	Additions	Deductions	Balance June 30, 2004
<b><u>Special Welfare Fund</u></b>				
Assets:				
Cash and Cash Equivalents	\$ 58,996	\$ 100,958	\$ 123,109	\$ 36,845
<b>Total Assets</b>	<u>\$ 58,996</u>	<u>\$ 100,958</u>	<u>\$ 123,109</u>	<u>\$ 36,845</u>
Liabilities:				
Funds Held in Trust for Others	58,996	219,519	197,368	36,845
<b>Total Liabilities</b>	<u>\$ 58,996</u>	<u>\$ 219,519</u>	<u>\$ 197,368</u>	<u>\$ 36,845</u>
<b><u>Performance Bond Fund</u></b>				
Assets:				
Cash and Cash Equivalents	\$ 8,204,144	\$ 4,172,136	\$ 4,642,541	\$ 7,733,739
<b>Total Assets</b>	<u>\$ 8,204,144</u>	<u>\$ 4,172,136</u>	<u>\$ 4,642,541</u>	<u>\$ 7,733,739</u>
Liabilities:				
Accounts Payable	\$ 129,904	\$ 1,641,208	\$ 1,511,304	\$ -
Funds Held in Trust for Others	8,074,240	4,548,895	4,208,394	7,733,739
<b>Total Liabilities</b>	<u>\$ 8,204,144</u>	<u>\$ 6,190,103</u>	<u>\$ 5,719,698</u>	<u>\$ 7,733,739</u>
<b><u>Employee Benefits Distribution Fund</u></b>				
Assets:				
Cash and Cash Equivalents	\$ 7,945,827	\$ 170,343,967	\$ 170,252,434	\$ 8,037,360
<b>Total Assets</b>	<u>\$ 7,945,827</u>	<u>\$ 170,343,967</u>	<u>\$ 170,252,434</u>	<u>\$ 8,037,360</u>
Liabilities:				
Accounts Payable	\$ 7,945,827	\$ 201,353,955	\$ 201,445,488	\$ 8,037,360
<b>Total Liabilities</b>	<u>\$ 7,945,827</u>	<u>\$ 201,353,955</u>	<u>\$ 201,445,488</u>	<u>\$ 8,037,360</u>
<b><u>Adult Detention Center (ADC) Inmate Fund</u></b>				
Assets:				
Cash and Cash Equivalents	\$ 169,835	\$ 971,715	\$ 1,004,726	\$ 136,824
<b>Total Assets</b>	<u>\$ 169,835</u>	<u>\$ 971,715</u>	<u>\$ 1,004,726</u>	<u>\$ 136,824</u>
Liabilities:				
Funds Held in Trust for Others	\$ 169,835	\$ 1,004,726	\$ 971,715	\$ 136,824
<b>Total Liabilities</b>	<u>\$ 169,835</u>	<u>\$ 1,004,726</u>	<u>\$ 971,715</u>	<u>\$ 136,824</u>
<b><u>Totals - All Agency Funds</u></b>				
Assets:				
Cash and Cash Equivalents	\$ 16,378,802	\$ 175,588,776	\$ 176,022,810	\$ 15,944,768
<b>Total Assets</b>	<u>\$ 16,378,802</u>	<u>\$ 175,588,776</u>	<u>\$ 176,022,810</u>	<u>\$ 15,944,768</u>
Liabilities:				
Accounts Payable	\$ 8,075,731	\$ 202,995,163	\$ 202,956,792	\$ 8,037,360
Funds Held in Trust for Others	8,303,071	5,773,140	5,377,477	7,907,408
<b>Total Liabilities</b>	<u>\$ 16,378,802</u>	<u>\$ 208,768,303</u>	<u>\$ 208,334,269</u>	<u>\$ 15,944,768</u>



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## Component Unit - School Board Funds

**Operating Fund** - This fund is used to account for the general operations of the County's school system. Financing is provided primarily by transfers from the primary government and State and Federal grants to be used for education purposes only.

**Capital Projects Fund** - This fund is used to account for the purchase and/or construction of major capital facilities, including buildings, land, major equipment and other long-lived improvements for the school system. Financing is provided primarily by bond issues, State and Federal grants, and transfers from the primary government.

**Capital Asset Replacement Fund** - This fund is used to account for the repair and/or replacement of major capital facilities, including buildings, major equipment, and other long-lived improvements for the school system. Financing is provided primarily by transfers from the primary government.

**Debt Service Fund** - This fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs of the school system. Financing is provided primarily by transfers from the primary government.

COUNTY OF LOUDOUN, VIRGINIA  
BALANCE SHEET  
COMPONENT UNIT - SCHOOL BOARD  
JUNE 30, 2004

	Operating	Capital Projects	Capital Asset Replacement	Debt Service	Total School Board
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 49,358,264	\$ 6,728,371	\$ 5,042,646	\$ 1,973,700	\$ 63,102,981
Cash and Investments with Fiscal Agents	17,786	50,937,315	-	-	50,955,101
Receivables, Net:					
Accounts	146,177	155,242	-	-	301,419
Dues from Other Governments	6,140,773	-	-	-	6,140,773
Inventory of Supplies	300,583	-	-	-	300,583
Prepaid Items	35,890	-	-	-	35,890
<b>Total Assets</b>	<u>\$ 55,999,514</u>	<u>\$ 57,820,928</u>	<u>\$ 5,042,646</u>	<u>\$ 1,973,700</u>	<u>\$ 120,836,788</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 7,499,017	\$ 17,079,824	\$ 48,409	\$ 265	\$ 24,627,515
Accrued Liabilities	24,770,313	6,927	-	-	24,777,240
Deferred Revenue	365,988	-	-	-	365,988
Other Liabilities	14,867	-	-	-	14,867
<b>Total Liabilities</b>	<u>32,650,185</u>	<u>17,086,751</u>	<u>48,409</u>	<u>265</u>	<u>49,785,610</u>
Fund Balances:					
Reserved for:					
Prepaid Items	35,890	-	-	-	35,890
Encumbrances	7,231,335	71,750,333	667,680	-	79,649,348
Unreserved, reported in:					
Operating:					
Designated for Fiscal Cash Liquidity	12,098,830	-	-	-	12,098,830
Designated for Cafeteria Sales	144,976	-	-	-	144,976
Undesignated	3,838,298	-	-	-	3,838,298
Capital Projects Funds:					
Undesignated	-	(31,016,156)	-	-	(31,016,156)
Capital Assets Funds:					
Undesignated	-	-	4,326,557	-	4,326,557
Debt Service Fund:					
Designated for Future Debt Service	-	-	-	1,973,435	1,973,435
<b>Total Fund Balances</b>	<u>23,349,329</u>	<u>40,734,177</u>	<u>4,994,237</u>	<u>1,973,435</u>	<u>71,051,178</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 55,999,514</u>	<u>\$ 57,820,928</u>	<u>\$ 5,042,646</u>	<u>\$ 1,973,700</u>	<u>\$ 120,836,788</u>

COUNTY OF LOUDOUN, VIRGINIA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 COMPONENT UNIT - SCHOOL BOARD  
 FOR THE YEAR ENDED JUNE 30, 2004

	Operating	Capital Projects	Capital Asset Replacement	Debt Service	Total School Board
<b>REVENUES</b>					
Intergovernmental	\$ 99,313,367	\$ -	\$ -	\$ -	\$ 99,313,367
Charges for Services	9,331,192	-	-	-	9,331,192
Use of Money and Property	337,533	2,411	-	-	339,944
Recovered Costs	127,034	-	-	-	127,034
Gifts and Donations	13,011	-	-	-	13,011
Miscellaneous	270,119	165,505	-	-	435,624
Payments from Primary Government	294,435,150	112,471,276	6,269,000	6,989,569	420,164,995
<b>Total Revenues</b>	<b>403,827,406</b>	<b>112,639,192</b>	<b>6,269,000</b>	<b>6,989,569</b>	<b>529,725,167</b>
<b>EXPENDITURES</b>					
Current Operating:					
Education	407,777,688	23	4,007,407	-	411,785,118
Payments to Primary Government	348,875	11,133,179	-	-	11,482,054
Capital Outlay	-	124,105,964	153,452	-	124,259,416
Debt service:					
Principal Payments	-	-	-	4,699,849	4,699,849
Interest and Service Charges	-	-	-	433,259	433,259
<b>Total Expenditures</b>	<b>408,126,563</b>	<b>135,239,166</b>	<b>4,160,859</b>	<b>5,133,108</b>	<b>552,659,696</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(4,299,157)</b>	<b>(22,599,974)</b>	<b>2,108,141</b>	<b>1,856,461</b>	<b>(22,934,529)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Lease/Purchase Financing	7,400,000	-	-	-	7,400,000
Sales of Capital Assets	121,403	-	-	-	121,403
<b>Total Other Financing Sources (Uses)</b>	<b>7,521,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,521,403</b>
<b>Net Change in Fund Balances</b>	<b>3,222,246</b>	<b>(22,599,974)</b>	<b>2,108,141</b>	<b>1,856,461</b>	<b>(15,413,126)</b>
<b>Fund Balances at Beginning of Year</b>	<b>20,127,083</b>	<b>63,334,151</b>	<b>2,886,096</b>	<b>116,974</b>	<b>86,464,304</b>
<b>Fund Balances at End of Year</b>	<b>\$ 23,349,329</b>	<b>\$ 40,734,177</b>	<b>\$ 4,994,237</b>	<b>\$ 1,973,435</b>	<b>\$ 71,051,178</b>



COUNTY OF LOUDOUN, VIRGINIA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS  
 COMPONENT UNIT - SCHOOL BOARD  
 FOR THE YEAR ENDED JUNE 30, 2004

	<u>Balance</u> <u>July 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2004</u>
<b><u>School Activity Fund</u></b>				
Assets:				
Cash and Temporary Investments	\$ 2,576,479	\$ 7,854,540	\$ 7,221,249	\$ 3,209,770
<b>Total Assets</b>	<u>\$ 2,576,479</u>	<u>\$ 7,854,540</u>	<u>\$ 7,221,249</u>	<u>\$ 3,209,770</u>
Liabilities:				
Collections Held in Trust	\$ 2,576,479	\$ 7,854,540	\$ 7,221,249	\$ 3,209,770
<b>Total Liabilities</b>	<u>\$ 2,576,479</u>	<u>\$ 7,854,540</u>	<u>\$ 7,221,249</u>	<u>\$ 3,209,770</u>

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
COMPONENT UNIT - SCHOOL BOARD  
SCHOOL OPERATING  
FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
<b>Resources (Inflows)</b>			
Intergovernmental	\$ 96,081,407	\$ 99,313,367	\$ 3,231,960
Charges for Services	10,969,377	9,331,192	(1,638,185)
Use of Money and Property	362,700	337,533	(25,167)
Recovered Costs	-	127,034	127,034
Miscellaneous	126,506	283,130	156,624
Sales of Capital Assets	-	121,403	121,403
Transfers from Primary Government	294,435,150	294,435,150	-
Lease/Purchase Financing	7,400,000	7,400,000	-
<b>Amounts Available for Appropriation</b>	<u>409,375,140</u>	<u>411,348,809</u>	<u>1,973,669</u>
<b>Charges to Appropriations (Outflows)</b>			
Education	416,987,027	407,777,688	9,209,339
Transfers to Primary Government	-	348,875	(348,875)
<b>Total Charges to Appropriations</b>	<u>416,987,027</u>	<u>408,126,563</u>	<u>8,860,464</u>
<b>Excess (Deficiency) of Resources Over Charges to Appropriations</b>	(7,611,887)	3,222,246	10,834,133
<b>Fund Balance at Beginning of Year</b>	20,127,083	20,127,083	-
<b>Fund Balance at End of Year</b>	<u>\$ 12,515,196</u>	<u>\$ 23,349,329</u>	<u>\$ 10,834,133</u>

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
COMPONENT UNIT - SCHOOL BOARD  
SCHOOL CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Prior Years	Current Year	Total to Date	Project Authorization
<b>REVENUES</b>				
Intergovernmental	\$ 541,206	\$ -	\$ 541,206	\$ 541,206
Charges for Services	81	-	81	-
Use of Money and Property	-	2,411	2,411	-
Recovered Costs	3,403,590	40,112	3,443,702	3,403,590
Miscellaneous	1,317,900	125,393	1,443,293	1,317,900
<b>Total Revenues</b>	<u>5,262,777</u>	<u>167,916</u>	<u>5,430,693</u>	<u>5,262,696</u>
<b>EXPENDITURES</b>				
Education	49,684,873	23	49,684,896	57,387,434
Capital Outlay	502,835,287	124,105,964	626,941,251	839,046,522
<b>Total Expenditures</b>	<u>552,520,160</u>	<u>124,105,987</u>	<u>676,626,147</u>	<u>896,433,956</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(547,257,383)</u>	<u>(123,938,071)</u>	<u>(671,195,454)</u>	<u>(891,171,260)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	932,370	-	932,370	932,370
Transfers (Out)	(13,463,321)	(11,133,179)	(24,596,500)	(11,133,179)
Transfers from Primary Government	57,613,493	15,892,276	73,505,769	96,432,374
Face Amount of Bonds issued	565,508,992	96,579,000	662,087,992	806,071,994
<b>Total Other Financing Sources (Uses)</b>	<u>610,591,534</u>	<u>101,338,097</u>	<u>711,929,631</u>	<u>892,303,559</u>
<b>Net Change in Fund Balances</b>	<u>\$ 63,334,151</u>	<u>(22,599,974)</u>	<u>\$ 40,734,177</u>	<u>\$ 1,132,299</u>
<b>Fund Balance at Beginning of Year</b>		63,334,151		
<b>Fund Balance at End of Year</b>		<u>\$ 40,734,177</u>		

COUNTY OF LOUDOUN, VIRGINIA  
BUDGETARY COMPARISON SCHEDULE  
COMPONENT UNIT - SCHOOL BOARD  
SCHOOL CAPITAL ASSET REPLACEMENT FUND  
FOR THE YEAR ENDED JUNE 30, 2004

	Prior Years	Current Year	Total to Date	Project Authorization
<b>REVENUES</b>				
Use of Money and Property	\$ 412,000	\$ -	\$ 412,000	\$ 412,000
Recovered Costs	15,342	-	15,342	11,606
<b>Total Revenues</b>	<u>427,342</u>	<u>-</u>	<u>427,342</u>	<u>423,606</u>
<b>EXPENDITURES</b>				
Education	32,556,746	4,007,407	36,564,153	41,708,106
Capital Outlay	-	153,452	153,452	-
<b>Total Expenditures</b>	<u>32,556,746</u>	<u>4,160,859</u>	<u>36,717,605</u>	<u>41,708,106</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(32,129,404)</u>	<u>(4,160,859)</u>	<u>(36,290,263)</u>	<u>(41,284,500)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	90,000	-	90,000	90,000
Transfers from Primary Government	18,245,500	2,909,000	21,154,500	21,154,500
Faced Amount of Bond Issued	16,680,000	3,360,000	20,040,000	20,040,000
<b>Total Other Financing Sources (Uses)</b>	<u>35,015,500</u>	<u>6,269,000</u>	<u>41,284,500</u>	<u>41,284,500</u>
<b>Net Change in Fund Balances</b>	<u>\$ 2,886,096</u>	<u>2,108,141</u>	<u>\$ 4,994,237</u>	<u>\$ -</u>
<b>Fund Balance at Beginning of Year</b>		2,886,096		
<b>Fund Balance at End of Year</b>		<u>\$ 4,994,237</u>		

COUNTY OF LOUDOUN, VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE  
 COMPONENT UNIT - SCHOOL BOARD  
 SCHOOL DEBT SERVICE FUND  
 FOR THE YEAR ENDED JUNE 30, 2004

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
<b>Resources (Inflows)</b>			
Transfers from Primary Government	\$ 6,989,569	\$ 6,989,569	\$ -
Amounts Available for Appropriation	<u>6,989,569</u>	<u>6,989,569</u>	<u>-</u>
<b>Charges to Appropriations (Outflows)</b>			
Nondepartmental:			
Debt Service	6,989,569	5,133,108	1,856,461
Total Charges to Appropriations	<u>6,989,569</u>	<u>5,133,108</u>	<u>1,856,461</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	1,856,461	1,856,461
Fund Balance at Beginning of Year	116,974	116,974	-
Fund Balance at End of Year	<u>\$ 116,974</u>	<u>\$ 1,973,435</u>	<u>\$ 1,856,461</u>

## Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as land, buildings, road registered vehicles, and equipment with an initial individual cost of more than \$2,500 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant and equipment is depreciated using the straight-line method over the estimated useful lives.

COUNTY OF LOUDOUN, VIRGINIA  
SCHEDULE OF CAPITAL ASSETS BY SOURCES  
AT JUNE 30, 2004

**CAPITAL ASSETS**

Land	\$ 59,792,237
Buildings	95,758,294
Improvements Other Than Buildings	12,042,332
Equipment	81,103,373
Infrastructure	384,421
Construction in Progress	42,989,062
<b>Total Current Assets</b>	<u>292,069,719</u>
Less Accumulated Depreciation	<u>(68,359,518)</u>
<b>Net Capital Assets</b>	<u><u>\$ 223,710,201</u></u>

**INVESTMENTS IN CAPITAL ASSETS**

General Fund	\$ 174,539,102
Special Revenue Fund	17,187,003
Capital Projects Fund	51,457,655
Donations	23,178,541
Internal Service Fund	25,707,418
<b>Total Investments in Capital Assets</b>	<u>292,069,719</u>
Less Accumulated Depreciation	<u>(68,359,518)</u>
<b>Net Capital Assets</b>	<u><u>\$ 223,710,201</u></u>

**COUNTY OF LOUDOUN, VIRGINIA  
SCHEDULE OF CAPITAL ASSETS  
BY FUNCTION AND ACTIVITY  
AS OF JUNE 30, 2004**

Function and Program	Land	Improvements other than Buildings	Buildings	Machinery and Equipment	Infrastructure	Total
<b>General Government Administration:</b>						
Legislative	\$ 296,939	\$ -	\$ 1,046,922	\$ 5,752	\$ -	\$ 1,349,613
General and Financial Administration	4,741,373	-	33,972,505	39,753,559	-	78,467,437
Elections Administration	-	-	-	381,409	-	381,409
<b>Total General Government</b>	<u>5,038,312</u>	<u>-</u>	<u>35,019,427</u>	<u>40,140,720</u>	<u>-</u>	<u>80,198,459</u>
<b>Judicial Administration:</b>						
Courts	398,112	-	1,038,160	1,843,638	-	3,279,910
Sheriff	-	-	-	14,553	-	14,553
Commonwealth's Attorney	-	-	-	28,891	-	28,891
<b>Total Judicial Administration</b>	<u>398,112</u>	<u>-</u>	<u>1,038,160</u>	<u>1,887,082</u>	<u>-</u>	<u>3,323,354</u>
<b>Public Safety:</b>						
Law Enforcement and Traffic Control	15,639	-	5,841	8,732,234	-	8,753,714
Fire and Rescue Services	42,459	-	4,816,945	9,764,495	-	14,623,899
Corrections and Detention	264,996	5,675	5,076,678	345,253	-	5,692,602
Inspections	-	-	-	91,085	-	91,085
Other Protection	17,637	-	1,784,607	53,196	-	1,855,440
<b>Total Public Safety</b>	<u>340,731</u>	<u>5,675</u>	<u>11,684,071</u>	<u>18,986,263</u>	<u>-</u>	<u>31,016,740</u>
<b>Public Works:</b>						
Sanitation and Waste Removal	16,658,471	12,170	1,131,728	11,605,684	-	29,408,053
Maintenance of General Building and Ground	3,336	-	1,697,714	352,590	-	2,053,640
<b>Total public Works</b>	<u>16,661,807</u>	<u>12,170</u>	<u>2,829,442</u>	<u>11,958,274</u>	<u>-</u>	<u>31,461,693</u>
<b>Health and Welfare:</b>						
Health	-	-	-	121,263	-	121,263
Mental Health and Mental Retardation	614,887	26,788	2,535,114	212,512	-	3,389,301
Welfare and Social Services	2,632,343	-	13,668,023	997,765	-	17,298,131
<b>Total Health and Welfare</b>	<u>3,247,230</u>	<u>26,788</u>	<u>16,203,137</u>	<u>1,331,540</u>	<u>-</u>	<u>20,808,695</u>
<b>Parks, Recreation and Culture:</b>						
Parks and Recreation	10,623,045	11,997,699	7,588,658	2,407,803	-	32,617,205
Library	4,123,234	-	19,971,543	2,797,159	-	26,891,936
<b>Total Parks, Recreation and Culture</b>	<u>14,746,279</u>	<u>11,997,699</u>	<u>27,560,201</u>	<u>5,204,962</u>	<u>-</u>	<u>59,509,141</u>
<b>Community Development:</b>						
Planning, Community Development and Economic Development	9,570,780	-	1,226,636	1,486,259	384,421	12,668,096
Environmental Management	-	-	-	51,785	-	51,785
Cooperative Extension Program	-	-	-	3,021	-	3,021
<b>Total Community Development</b>	<u>9,570,780</u>	<u>-</u>	<u>1,226,636</u>	<u>1,541,065</u>	<u>384,421</u>	<u>12,722,902</u>
<b>Miscellaneous:</b>						
Miscellaneous	9,788,986	-	197,220	53,467	-	10,039,673
<b>Total Miscellaneous</b>	<u>9,788,986</u>	<u>-</u>	<u>197,220</u>	<u>53,467</u>	<u>-</u>	<u>10,039,673</u>
<b>Total Capital Assets Allocation to Functions</b>	<u>59,792,237</u>	<u>12,042,332</u>	<u>95,758,294</u>	<u>81,103,373</u>	<u>384,421</u>	<u>249,080,657</u>
Less Accumulated Depreciation	-	(6,224,403)	(20,837,265)	(41,297,850)	-	(68,359,518)
<b>Total</b>	<u>\$ 59,792,237</u>	<u>\$ 5,817,929</u>	<u>\$ 74,921,029</u>	<u>\$ 39,805,523</u>	<u>\$ 384,421</u>	<u>180,721,139</u>
<b>Contruction in Progress</b>						<u>42,989,062</u>
<b>Total Capital Assets</b>						<u>\$ 223,710,201</u>



**COUNTY OF LOUDOUN, VIRGINIA**  
**SCHEDULE OF CHANGES IN CAPITAL ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**YEAR ENDED JUNE 30, 2004**

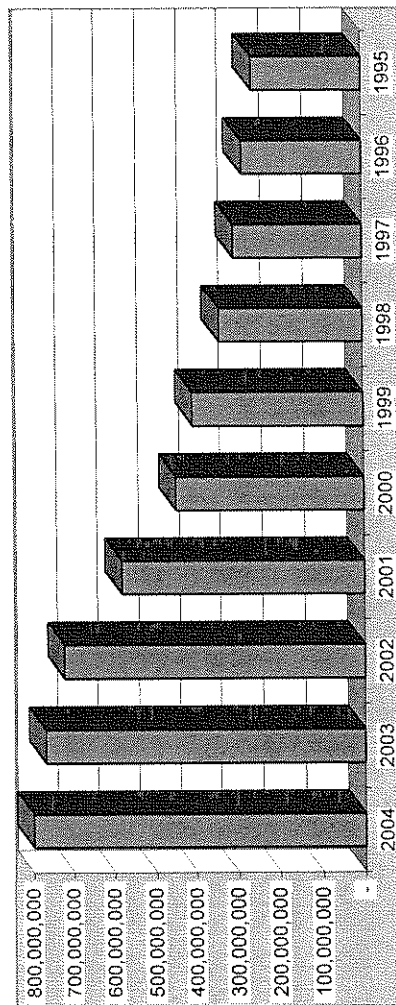
<b>Function and Program</b>	<b>Fixed Assets July 1, 2003</b>	<b>Additions</b>	<b>Deductions</b>	<b>Transfers In / (Out)</b>	<b>Fixed Assets June 30, 2004</b>
<b>General Government Administration:</b>					
Legislative	\$ 1,349,613	\$ -	\$ -	\$ -	\$ 1,349,613
General and Financial Administration	85,175,798	5,438,461	1,270,452	(10,631,344)	78,712,463
Elections Administration	381,409	-	-	-	381,409
<b>Total General Government</b>	<u>86,906,820</u>	<u>5,438,461</u>	<u>1,270,452</u>	<u>(10,631,344)</u>	<u>80,443,485</u>
<b>Judicial Administration:</b>					
Courts	3,273,394	6,516	-	-	3,279,910
Sheriff	14,553	-	-	-	14,553
Commonwealth's Attorney	28,891	-	-	-	28,891
<b>Total judicial Administration</b>	<u>3,316,838</u>	<u>6,516</u>	<u>-</u>	<u>-</u>	<u>3,323,354</u>
<b>Public Safety:</b>					
Law Enforcement and Traffic Control	8,218,130	560,544	24,961	-	8,753,713
Fire and Rescue Services	13,584,026	927,280	31,925	144,518	14,623,899
Corrections and Detention	5,684,152	4,356	-	4,095	5,692,603
Inspections	77,022	14,063	-	-	91,085
Other Protection	1,867,187	-	11,747	-	1,855,440
<b>Total Public Safety</b>	<u>29,430,517</u>	<u>1,506,243</u>	<u>68,633</u>	<u>148,613</u>	<u>31,016,740</u>
<b>Public Works:</b>					
Sanitation and Waste Removal	20,272,194	9,313,075	248,011	33,018	29,370,276
Maintenance of General Building and Ground	2,037,605	53,812	-	-	2,091,417
<b>Total public Works</b>	<u>22,309,799</u>	<u>9,366,887</u>	<u>248,011</u>	<u>33,018</u>	<u>31,461,693</u>
<b>Health and Welfare:</b>					
Health	80,635	40,627	-	-	121,262
Mental Health and Mental Retardation	3,337,268	2,530	15,997	-	3,323,801
Welfare and Social Services	17,005,957	36,241	-	255,933	17,298,131
<b>Total Health and Welfare</b>	<u>20,423,860</u>	<u>79,398</u>	<u>15,997</u>	<u>255,933</u>	<u>20,743,194</u>
<b>Parks, Recreation and Culture:</b>					
Parks and Recreation	27,382,124	3,602,756	3,258	1,635,582	32,617,204
Library	20,102,023	246,988	-	6,542,926	26,891,937
<b>Total Parks, Recreation and Culture</b>	<u>47,484,147</u>	<u>3,849,744</u>	<u>3,258</u>	<u>8,178,508</u>	<u>59,509,141</u>
<b>Community Development:</b>					
Planning, Community Development and Economic Development	9,702,999	2,592,142	11,466	384,421	12,668,096
Environmental Management	51,785	-	-	-	51,785
Cooperative Extension Program	3,021	-	-	-	3,021
<b>Total Community Development</b>	<u>9,757,805</u>	<u>2,592,142</u>	<u>11,466</u>	<u>384,421</u>	<u>12,722,902</u>
<b>Miscellaneous:</b>					
Miscellaneous	10,643,492	525,231	-	(1,308,575)	9,860,148
<b>Total Miscellaneous</b>	<u>10,643,492</u>	<u>525,231</u>	<u>-</u>	<u>(1,308,575)</u>	<u>9,860,148</u>
<b>Total Capital Assets Allocation to Function</b>	<u>230,273,278</u>	<u>23,364,622</u>	<u>1,617,817</u>	<u>(2,939,426)</u>	<u>249,080,657</u>
Construction in Progress	43,581,265	7,474,771	-	(8,066,974)	42,989,062
<b>Total</b>	<u>273,854,543</u>	<u>30,839,393</u>	<u>1,617,817</u>	<u>(11,006,400)</u>	<u>292,069,719</u>
Less Accumulated Depreciation	(58,619,099)	(11,186,775)	(1,446,356)	-	(68,359,518)
<b>Net Capital Assets</b>	<u>\$ 215,235,444</u>	<u>\$ 19,652,618</u>	<u>\$ 171,461</u>	<u>\$ (11,006,400)</u>	<u>\$ 223,710,201</u>

## **STATISTICAL SECTION**

COUNTY OF LOUDOUN, VIRGINIA  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1) (2)  
LAST TEN FISCAL YEARS

FUNCTION	(3) 2004	(3) 2003	(3) 2002	2001	2000	1999	1998	1997	1996	1995
General government administration	\$ 33,755,811	\$ 32,856,620	\$ 31,881,582	\$ 27,648,372	\$ 24,241,248	\$ 20,744,764	\$ 19,013,366	\$ 18,720,364	\$ 15,615,157	\$ 15,600,985
Judicial administration	7,604,019	8,171,298	6,697,319	5,288,117	4,438,785	4,341,648	3,782,771	3,466,192	3,002,930	2,662,484
Public safety	75,567,045	66,817,301	61,004,791	45,425,236	36,279,690	29,871,952	27,171,444	25,377,526	22,483,761	20,052,202
Public works	24,149,345	20,969,188	24,445,546	12,221,838	9,378,437	7,819,186	6,198,388	8,524,395	6,801,397	7,267,244
Health and welfare	58,681,744	56,079,807	52,396,932	38,725,515	31,847,435	27,666,110	26,219,142	24,219,079	22,145,605	20,249,676
Education	409,468,157	360,990,925	309,731,574	254,219,073	212,459,950	186,532,501	165,075,150	141,585,782	118,874,496	109,911,627
Parks, recreation and culture	30,201,892	26,688,466	26,069,011	21,126,419	16,340,004	14,195,196	12,339,831	10,038,901	9,034,008	8,110,352
Community development	30,721,569	25,429,706	21,363,427	15,405,328	10,913,550	10,355,101	8,907,896	7,369,562	8,359,120	7,539,633
Capital Projects	142,202,358	101,618,908	136,205,066	117,596,093	69,886,618	78,322,033	49,068,831	44,491,551	59,659,033	54,676,974
Debt service	78,417,995	70,098,358	53,843,624	41,876,234	33,400,618	27,203,200	22,230,447	20,670,636	17,912,168	13,727,955
<b>Total Expenditures</b>	<b>\$890,769,335</b>	<b>\$769,720,577</b>	<b>\$723,638,872</b>	<b>\$579,532,225</b>	<b>\$449,186,335</b>	<b>\$407,051,691</b>	<b>\$340,007,266</b>	<b>\$304,464,088</b>	<b>\$283,887,675</b>	<b>\$259,799,132</b>

*Total General Government Expenditures by Function*

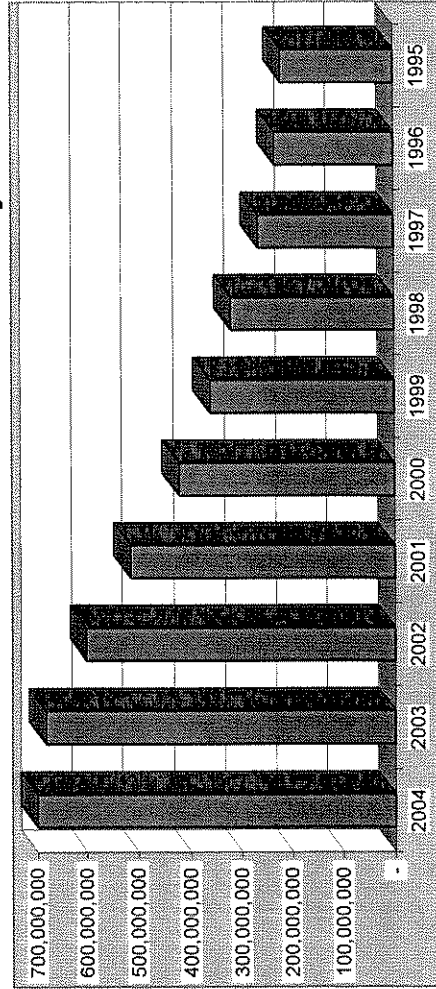


- (1) Includes Governmental Funds only.  
 (2) Includes Primary Government and Component Unit.  
 (3) Expenditures include amounts related to reclassification of Fiduciary funds to Special Revenue funds in accordance with GASB Statement No. 34.

**COUNTY OF LOUDOUN, VIRGINIA**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE (1) (2)**  
**LAST TEN FISCAL YEARS**

SOURCE	(3) 2004	(3) 2003	(3) 2002	2001	2000	1999	1998	1997	1996	1995
General property taxes	\$433,739,683	\$369,053,929	\$317,003,631	\$261,016,542	\$219,302,974	\$199,283,712	\$190,488,626	\$154,920,526	\$140,209,501	\$129,167,286
Other local taxes	92,157,113	78,403,999	68,090,506	64,359,557	51,632,959	41,337,376	34,831,429	29,938,269	26,132,406	23,251,537
Permits and licenses	17,779,983	17,046,703	11,701,399	14,519,685	13,408,218	12,387,701	8,840,742	6,804,965	6,069,271	5,462,920
Intergovernmental	196,326,458	171,643,630	157,438,837	137,535,530	108,685,362	83,552,768	63,226,514	56,588,740	45,007,518	41,142,083
Charges for services	26,257,141	21,341,901	18,174,110	15,037,511	12,266,366	10,905,627	9,331,527	7,452,331	7,568,668	8,552,037
Fines and forfeitures	1,688,132	1,439,119	1,387,677	1,546,259	1,474,405	1,420,120	1,261,250	772,352	706,344	693,543
Use of money and property	4,294,595	5,025,276	9,036,546	12,360,365	8,765,797	6,250,109	5,629,516	4,446,572	5,142,082	6,043,802
Miscellaneous	13,503,744	12,822,416	10,160,749	1,773,845	363,468	507,819	740,460	1,048,856	644,953	4,584,229
Recovered costs	6,505,965	6,560,811	8,870,604	6,760,979	5,156,306	5,295,772	4,923,613	4,464,698	2,320,869	1,702,009
Non-revenue receipts	-	-	-	387,289	20,220	76,100	30,175	8,400	1,150	1,150
	<u>\$792,252,814</u>	<u>\$683,337,784</u>	<u>\$601,864,059</u>	<u>\$515,297,562</u>	<u>\$421,076,075</u>	<u>\$381,017,104</u>	<u>\$319,303,852</u>	<u>\$266,445,709</u>	<u>\$233,802,762</u>	<u>\$220,600,596</u>

**Total General Government Revenues by Source**



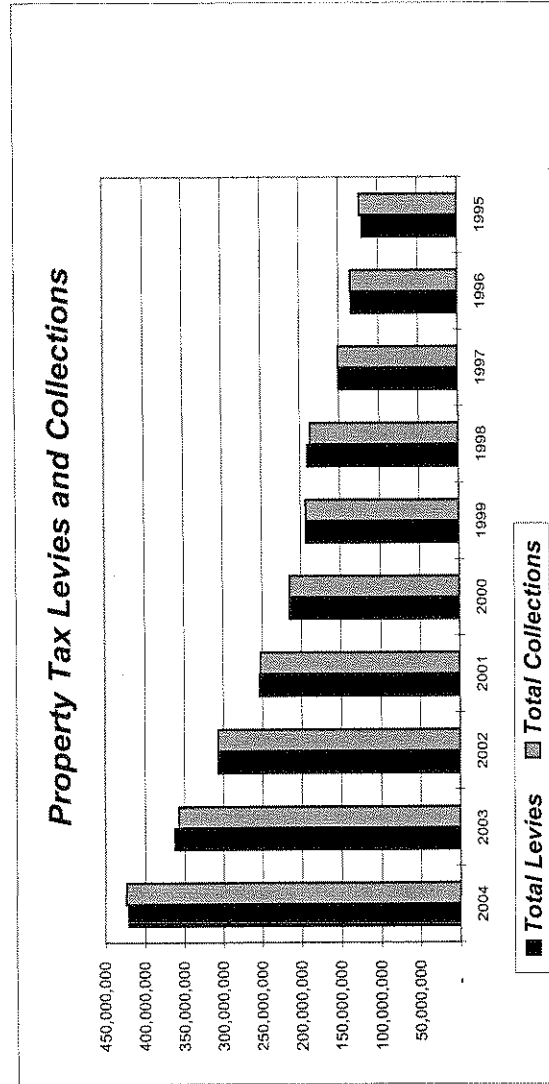
(1) Includes Governmental Funds only.

(2) Includes Primary Government and Component Unit.

(3) Revenues include amounts reallocated to Special Revenue funds in accordance with GASB Statement No. 34.

**COUNTY OF LOUDOUN, VIRGINIA**  
**PROPERTY TAX LEVIES AND COLLECTIONS (1) (2)**  
**LAST TEN FISCAL YEARS**

	2004	2003	2002	2001	2000	1999	(5) 1998	1997	1996	1995
Total tax levy (3)	\$ 420,712,030	\$ 361,966,896	\$ 305,979,201	\$ 253,494,862	\$ 213,776,378	\$ 192,945,367	\$ 190,134,622	\$ 150,087,601	\$ 133,841,243	\$ 119,643,977
Current tax collections (3)	\$ 407,623,495	\$ 346,400,224	\$ 296,144,023	\$ 244,158,657	\$ 209,359,885	\$ 186,353,341	\$ 183,655,551	\$ 146,533,024	\$ 130,671,888	\$ 116,353,827
Percent of levy collected	96.89%	95.70%	96.79%	96.32%	97.93%	96.58%	96.59%	97.63%	97.63%	97.25%
Delinquent tax collections	\$ 15,812,964	\$ 10,507,767	\$ 9,902,704	\$ 8,106,506	\$ 4,513,454	\$ 6,789,462	\$ 3,291,722	\$ 3,863,631	\$ 4,346,380	\$ 6,889,465
Total tax collections (4)	\$ 423,436,459	\$ 356,907,991	\$ 306,046,727	\$ 252,265,163	\$ 213,873,339	\$ 193,142,823	\$ 186,947,273	\$ 150,396,655	\$ 135,018,068	\$ 123,243,292
Percent of total tax collected to taxy levy	100.65%	98.60%	100.02%	99.51%	100.05%	100.10%	98.32%	100.21%	100.88%	103.01%



(1) Department of Financial Services, Loudoun County.

(2) General Fund.

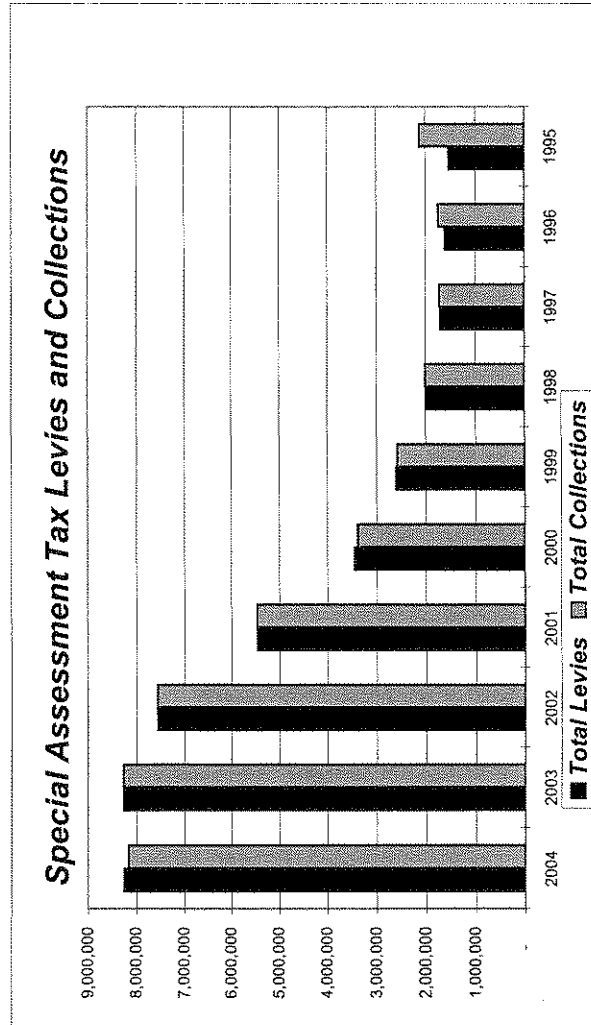
(3) Exclusive of penalties and interest.

(4) Tax collections include payments received from the Commonwealth of Virginia under its personal property tax-relief program.

(5) Tax levy includes \$ 20,983,233 for first half of 1998 personal property tax.

COUNTY OF LOUDOUN, VIRGINIA  
SPECIAL ASSESSMENT PROPERTY TAX LEVIES AND COLLECTION  
LAST TEN FISCAL YEARS

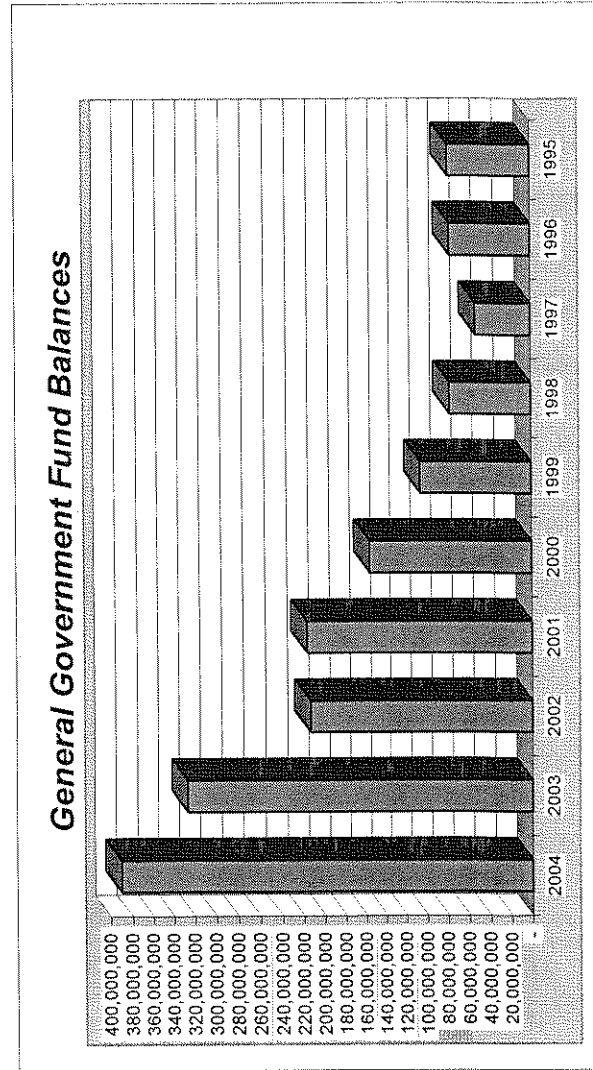
	2004	2003	2002	2001	2000	1999	(1) 1998	1997	1996	1995
Total tax levy (1)	\$8,261,782	\$8,264,047	\$7,558,018	\$5,451,097	\$3,440,379	\$2,603,110	\$1,991,064	\$1,698,037	\$1,613,141	\$1,533,540
Current tax collections (1)	\$8,057,157	\$8,154,788	\$7,448,034	\$5,382,187	\$3,319,722	\$2,541,137	\$1,962,597	\$1,683,879	\$1,577,984	\$1,432,548
Percent of levy collected	97.52%	98.68%	98.54%	98.74%	96.49%	97.62%	98.57%	99.17%	97.82%	93.41%
Delinquent tax collections	\$ 107,853	\$ 120,500	\$ 114,328	\$ 71,462	\$ 60,110	\$ 38,258	\$ 39,984	\$ 37,942	\$ 171,576	\$ 680,240
Total tax collections	\$8,165,010	\$8,275,288	\$7,562,362	\$5,453,649	\$3,379,832	\$2,579,395	\$2,002,581	\$1,721,821	\$1,749,560	\$2,112,788
Percent of total tax collected to tax levy	98.83%	100.14%	100.06%	100.05%	98.24%	99.09%	100.58%	101.40%	108.46%	137.77%



(1) Exclusive of penalties and interest.

COUNTY OF LOUDOUN, VIRGINIA  
GENERAL GOVERNMENTAL FUND BALANCES (1) (2)  
LAST TEN FISCAL YEARS

FUND BALANCE	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Reserved for:										
Prepaid expenses	\$ 1,194,739	\$ 1,097,967	\$ 478,727	\$ 163,149	\$ 156,179	\$ 1,012,583	\$ 809,754	\$ 1,356,766	\$ 49,974	\$ 38,118
Encumbrances	113,901,825	92,296,181	79,312,327	104,766,702	61,510,139	75,130,756	36,721,968	23,563,072	37,355,520	14,191,479
Advance to Central Service Fund	-	-	-	-	-	-	-	-	-	33,500
Noncurrent notes and loans receivable	3,755,824	2,343,435	2,030,412	2,164,774	2,855,945	2,981,887	2,918,696	1,637,682	1,348,873	-
Unreserved										
Designated for:										
Appropriations	56,937,234	41,207,757	46,984,317	39,802,378	126,123,191	34,055,632	27,241,097	5,369,047	6,661,194	20,568,130
Fiscal cash liquidity	79,225,276	58,771,690	58,771,690	51,529,699	42,660,011	36,101,711	30,049,287	26,644,318	23,530,777	21,576,642
Future debt service	39,726,577	32,889,558	12,873,323	17,767,588	10,507,365	7,479,491	4,197,489	4,197,489	5,921,139	7,091,059
Future capital projects	575,366	575,366	781,141	323,455	323,455	323,455	859,728	859,728	2,917,050	-
Permanent Fund-Expendable	9,065	12,154	12,688	-	-	-	-	-	-	-
Permanent Fund-Nonexpendable	35,721	35,721	35,721	-	-	-	-	-	-	-
Cafeteria sales	144,976	367,555	282,109	577,587	437,561	731,059	890,196	827,908	839,404	975,483
Undesignated	94,301,118	96,890,519	11,900,773	(653,520)	(88,694,540)	(52,528,449)	(26,845,938)	(12,643,299)	(2,494,805)	13,013,330
	<u>\$389,807,721</u>	<u>\$326,487,903</u>	<u>\$213,483,228</u>	<u>\$216,440,812</u>	<u>\$155,879,306</u>	<u>\$105,288,125</u>	<u>\$76,842,277</u>	<u>\$51,812,731</u>	<u>\$76,129,126</u>	<u>\$77,487,741</u>

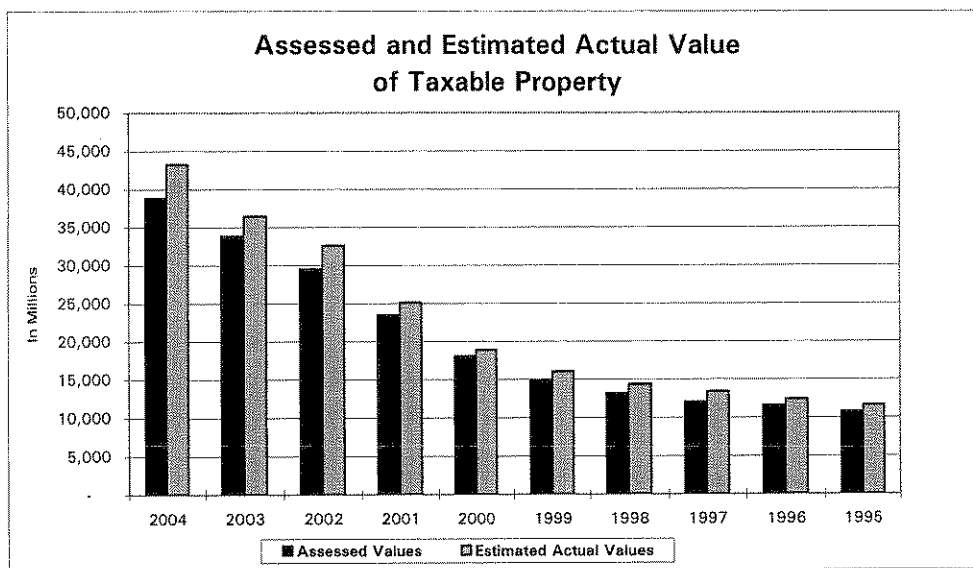


(1) Includes Governmental Funds only.

(2) Includes Primary Government and Component Unit.

**COUNTY OF LOUDOUN, VIRGINIA**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

FISCAL YEAR	REAL PROPERTY		PERSONAL PROPERTY		TOTAL		RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED VALUE
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	
2004	\$35,767,028,850	\$40,460,439,900	\$3,106,660,100	\$2,800,113,990	\$38,873,688,950	\$43,260,553,890	89.9%
2003	30,864,734,680	33,731,949,000	2,985,668,507	2,707,282,512	33,850,403,187	36,439,231,512	92.9%
2002	26,799,268,200	30,044,022,700	2,746,232,319	2,523,199,286	29,545,500,519	32,567,221,986	90.7%
2001	21,128,020,500	23,015,272,000	2,381,723,570	2,091,424,564	23,509,744,070	25,106,696,554	93.6%
2000	16,160,744,400	17,066,744,400	1,921,567,637	1,839,574,139	18,082,312,037	18,906,318,539	95.6%
1999	13,337,307,000	14,557,339,100	1,590,787,060	1,449,124,512	14,928,094,060	16,006,463,612	93.3%
1998	11,771,573,700	12,962,573,700	1,453,956,874	1,409,756,982	13,225,530,574	14,372,330,682	92.0%
1997	10,677,620,500	11,893,096,100	1,362,039,834	1,516,748,145	12,039,660,334	13,409,844,245	89.8%
1996	10,300,853,000	11,127,412,600	1,260,370,103	1,260,370,103	11,561,223,103	12,387,782,703	93.3%
1995	9,529,000,000	10,405,720,700	1,224,533,268	1,224,533,268	10,753,533,268	11,630,253,968	92.5%

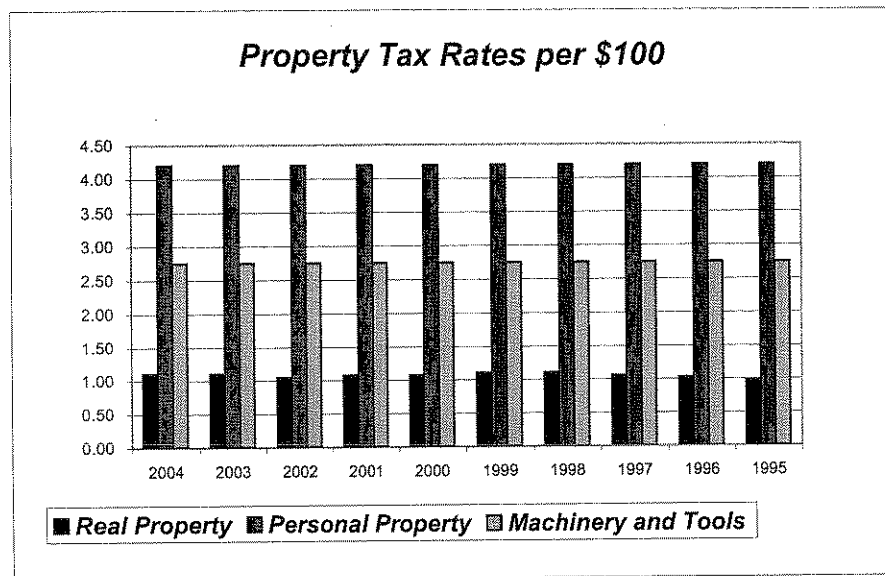


(1) 2003 Estimated Actual Value of Personal Property includes exonerations to June 30, 2003.



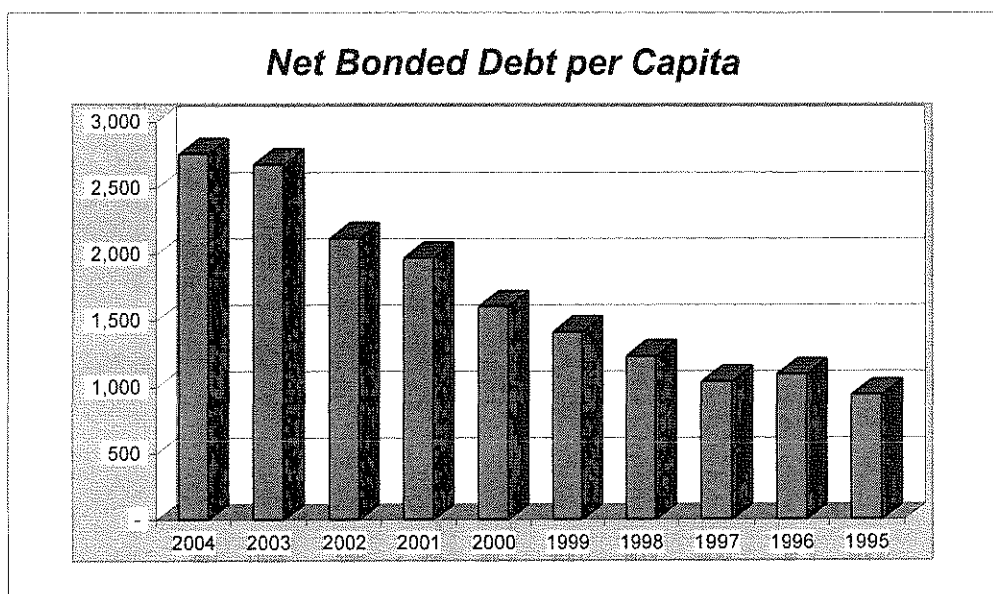
COUNTY OF LOUDOUN, VIRGINIA  
PROPERTY TAX RATES (PER \$100 OF ASSESSED VALUE)

FISCAL YEAR	REAL ESTATE	PERSONAL PROPERTY	MACHINERY AND TOOLS	PUBLIC UTILITIES	
				REAL ESTATE	PERSONAL PROPERTY
2004	\$ 1.1075	\$ 4.20	\$ 2.75	\$ 1.1075	\$ 4.20
2003	1.11	4.20	2.75	1.11	4.20
2002	1.05	4.20	2.75	1.05	4.20
2001	1.08	4.20	2.75	1.08	4.20
2000	1.08	4.20	2.75	1.08	4.20
1999	1.11	4.20	2.75	1.11	4.20
1998	1.11	4.20	2.75	1.11	4.20
1997	1.06	4.20	2.75	1.06	4.20
1996	1.03	4.20	2.75	1.03	4.20
1995	0.99	4.20	2.75	0.99	4.20



COUNTY OF LOUDOUN, VIRGINIA  
 RATIO OF NET GENERAL BONDED DEBT  
 TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA  
 LAST TEN FISCAL YEARS

FISCAL YEAR	(1) POPULATION	TOTAL ASSESSED VALUE	(2) GROSS BONDED DEBT	DEBT PAYABLE FROM ENTERPRISE REVENUE	NET BONDED DEBT	(3) RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
2004	229,429	\$38,873,688,950	\$632,757,090	\$ -	\$632,757,090	1.63%	\$ 2,758
2003	211,146	33,850,403,187	565,810,286	-	565,810,286	1.67%	2,680
2002	196,430	29,545,500,519	416,306,645	-	416,306,645	1.41%	2,119
2001	189,400	23,509,744,070	373,561,205	-	373,561,205	1.59%	1,972
2000	172,173	18,082,312,037	276,362,000	-	276,362,000	1.53%	1,605
1999	154,549	14,928,094,060	218,520,000	-	218,520,000	1.46%	1,414
1998	136,485	13,225,530,574	168,146,500	-	168,146,500	1.27%	1,232
1997	127,410	12,039,660,334	132,322,000	-	132,322,000	1.10%	1,039
1996	119,550	11,561,223,103	130,842,500	-	130,842,500	1.13%	1,094
1995	112,843	10,753,533,268	106,150,000	-	106,150,000	0.99%	941



(1) Department of Economic Development, Loudoun County.

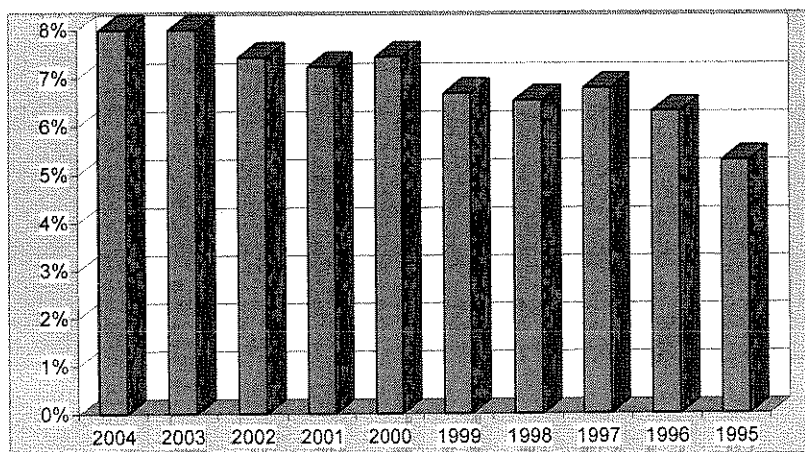
(2) Includes general obligation bonded debt and State Literary Fund loans.

(3) The Code of Virginia establishes the legal debt margin for counties as 10% of the assessed valuation on real estate as shown by the last preceding assessment for taxes.

COUNTY OF LOUDOUN, VIRGINIA  
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR  
 GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES  
 LAST TEN FISCAL YEARS

FISCAL YEAR	PRINCIPAL	INTEREST AND OTHER SERVICE CHARGES	TOTAL DEBT SERVICE	TOTAL GENERAL EXPENDITURES	RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
2004	\$49,153,459	\$ 29,158,998	\$78,312,457	\$ 890,807,959	8.79%
2003	44,645,082	25,347,738	69,992,820	769,720,577	9.09%
2002	32,586,209	21,151,877	53,738,086	723,635,354	7.43%
2001	24,861,389	17,014,845	41,876,234	579,532,225	7.23%
2000	18,378,363	15,022,255	33,400,618	449,186,335	7.44%
1999	14,552,364	12,650,836	27,203,200	407,051,691	6.68%
1998	11,582,548	10,647,899	22,230,447	340,007,266	6.54%
1997	10,914,904	9,755,732	20,670,636	304,464,088	6.79%
1996	8,483,584	9,428,584	17,912,168	283,887,675	6.31%
1995	6,522,008	7,205,947	13,727,955	259,799,132	5.28%

***Ratio of Debt Service to  
Total General Expenditures***



COUNTY OF LOUDOUN, VIRGINIA  
DIRECT AND OVERLAPPING DEBT  
JUNE 30, 2004

	<u>NET DEBT OUTSTANDING</u>	<u>% APPLICABLE TO LOUDOUN COUNTY</u>	<u>LOUDOUN COUNTY SHARE OF DEBT</u>
Direct:			
Loudoun County (1)	\$ 632,757,090	100%	\$632,757,090
Overlapping:			
Commonwealth of Virginia (2)	79,765,000	53% (3)	42,275,450
Total direct and overlapping debt			<u>\$675,032,540</u>

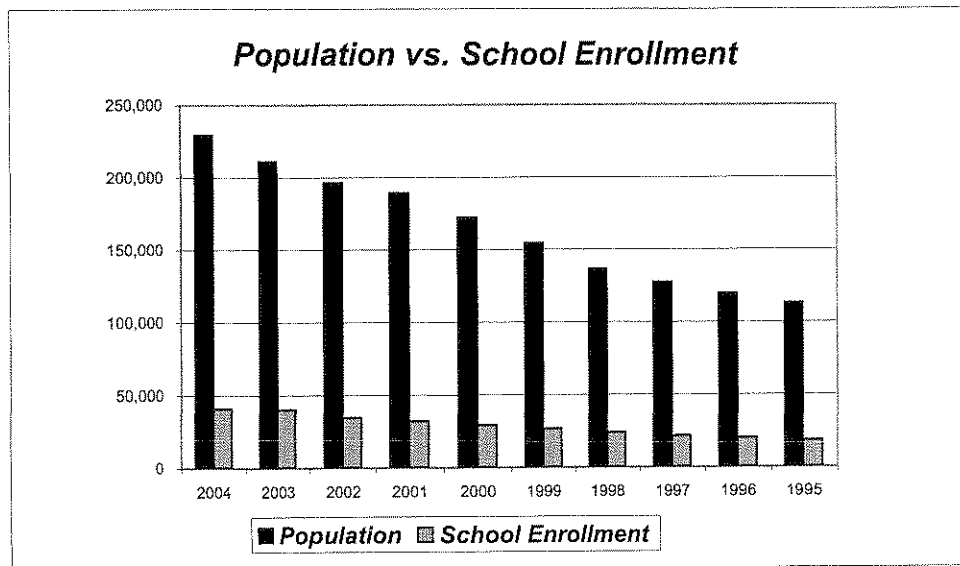
(1) Includes all general obligation bonds of Loudoun County.

(2) Virginia Department of Transportation.

(3) Percentage applicable to the County of 53% is an estimate based on the projected development of Route 28 to the year 2018.

COUNTY OF LOUDOUN, VIRGINIA  
DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS

FISCAL YEAR	(1) POPULATION	(1) PER CAPITA INCOME	(2) SCHOOL ENROLLMENT	(3) UNEMPLOYMENT RATE
2004	229,429	\$ 44,687	40,751	2.1 %
2003	211,146	\$ 40,233	40,250	2.7 %
2002	196,430	\$ 39,791	34,500	2.9 %
2001	189,400	\$ 38,602	32,016	2.5 %
2000	172,173	\$ 37,500	29,254	0.9 %
1999	154,549	\$ 34,495	26,582	1.2 %
1998	136,485	\$ 32,590	23,782	2.2 %
1997	127,410	\$ 31,485	21,733	2.0 %
1996	119,550	\$ 28,934	19,967	2.5 %
1995	112,843	\$ 28,639	18,270	2.8 %



(1) Department of Economic Development, Loudoun County.

(2) March 31 enrollment amount from the Department of Economic Development, Loudoun County, based on Fiscal Impact Analysis Technical Review Committee.

(3) Virginia Employment Commission.

COUNTY OF LOUDOUN, VIRGINIA  
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS  
LAST TEN FISCAL YEARS

FISCAL YEAR	(1) COMMERCIAL CONSTRUCTION	(1) RESIDENTIAL CONSTRUCTION	(1) PROPERTY VALUE		NONTAXABLE	(2) BANK DEPOSITS
			COMMERCIAL	RESIDENTIAL		
2003	\$ 70,000,000	\$ 1,704,850,000	\$ 5,911,410,700	\$29,855,618,150	\$ 2,721,708,900	\$1,798,764,394
2002	70,000,000	1,243,000,000	5,719,684,600	25,145,050,080	2,322,382,600	1,605,639,936
2001	290,000,000	1,195,000,000	5,410,528,600	21,388,739,600	2,072,354,300	1,400,377,233
2000	250,000,000	923,000,000	4,611,938,500	16,516,082,000	1,795,059,700	1,286,934,189
1999	260,000,000	708,000,000	4,085,607,200	12,075,137,200	1,691,471,300	1,148,988,538
1998	290,000,000	571,000,000	2,955,807,600	10,381,499,400	1,580,184,800	996,731,117
1997	103,065,000	457,000,000	2,379,126,100	9,392,447,600	1,404,547,900	915,766,903
1996	70,000,000	377,000,000	2,178,186,300	8,499,434,200	1,405,763,500	882,561,695
1995	75,000,000	355,000,000	2,101,537,300	8,199,315,700	1,273,346,400	793,410,474
1994	70,000,000	371,615,000	1,948,194,300	7,438,550,000	1,214,471,400	786,362,306

(1) Department of Financial Services, Loudoun County.

(2) Commissioner of Revenue, Loudoun County.

COUNTY OF LOUDOUN, VIRGINIA  
 TWENTY-FIVE LARGEST REAL ESTATE ASSESSMENTS  
 JUNE 30, 2004

TABLE M

NAME OF BUSINESS	(1) 2004 ASSESSED VALUATION OF REAL PROPERTY	PERCENT OF TOTAL NET TAX BASE
UUNET Technologies, Inc.	\$ 271,778,300	0.76%
America Online, Inc.	246,553,900	0.69%
Virginia Electric and Power Company	196,518,300	0.55%
Verizon Virginia Inc.	153,328,900	0.43%
Dulles Town Center Mall, LLC	139,613,000	0.39%
Toll Road Investors Partnership II, LP	126,952,100	0.35%
Brambleton Group LLC	119,132,500	0.33%
MCI Worldcom Network Service Inc.	104,163,000	0.29%
Smith, Verlin W. et als Trustees	91,849,600	0.26%
Pulte Home Corporation	84,622,000	0.24%
PLC Dulles LP	79,922,800	0.22%
LHO New Orleans LM LP	77,361,200	0.22%
Belmont Land LP	77,323,800	0.22%
Chelsea GCA Realty Partnership LP	75,412,600	0.21%
Loudoun Valley Associates LP	71,614,740	0.20%
ASN Stoneridge LLC	71,475,700	0.20%
Qwest Communications Corp of Virginia	70,169,000	0.20%
Winkler-Southern Towers LP	68,439,900	0.19%
Summit Properties Partnership LP	65,301,200	0.18%
Washington Gas and Light Company	63,609,700	0.18%
Broadlands Associates	57,543,500	0.16%
Lansdowne Community Development LLC	57,244,900	0.16%
Richmond American Homes of Virginia Inc.	56,014,500	0.16%
DTC Partners LLC	55,665,000	0.16%
WXIII/Oxford DTC Real Estate LLC	54,600,000	0.15%
Totals	<u>\$ 2,536,210,140</u>	<u>7.09%</u>

(1) Assessed value as of January 1, 2004.

COUNTY OF LOUDOUN, VIRGINIA  
SURETY BONDS  
JUNE 30, 2004

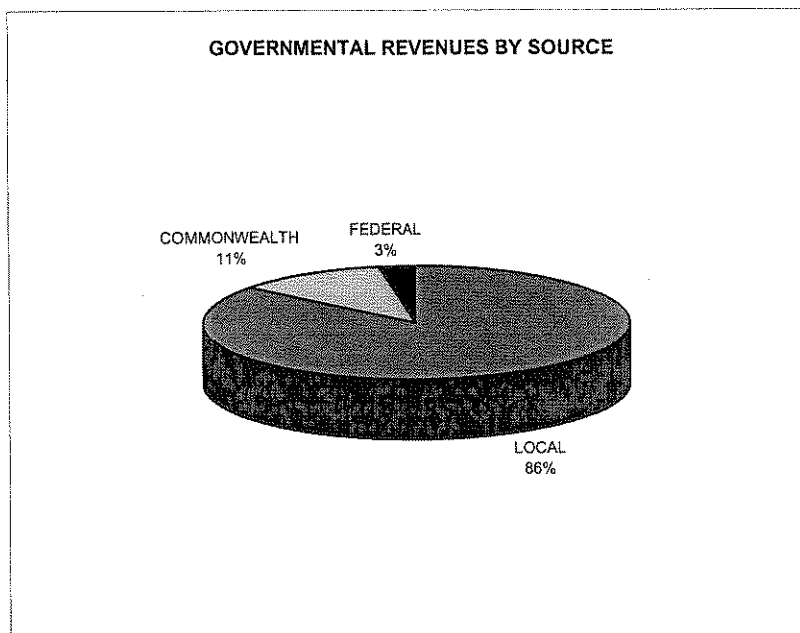
TABLE N

NAME	TITLE	SURETY	AMOUNT
Gary Clemens	Circuit Court Clerk	Fidelity and Deposit Company of Maryland	\$ 500,000
H. Roger Zurn Jr.	Treasurer	Fidelity and Deposit Company of Maryland	1,000,000
Robert S. Wertz, Jr.	Commissioner of Revenue	Fidelity and Deposit Company of Maryland	500,000
Steve Simpson	Sheriff	Fidelity and Deposit Company of Maryland	500,000
Dr. Edgar Hatrick	Superintendent of Schools	Fidelity and Deposit Company of Maryland	100,000
All School System Employees		Virginia Municipal Liability Pool	500,000
All County Employees		Virginia Association of Counties (VACo)	250,000



COUNTY OF LOUDOUN, VIRGINIA  
ACTUAL REVENUES  
JUNE 30, 2004

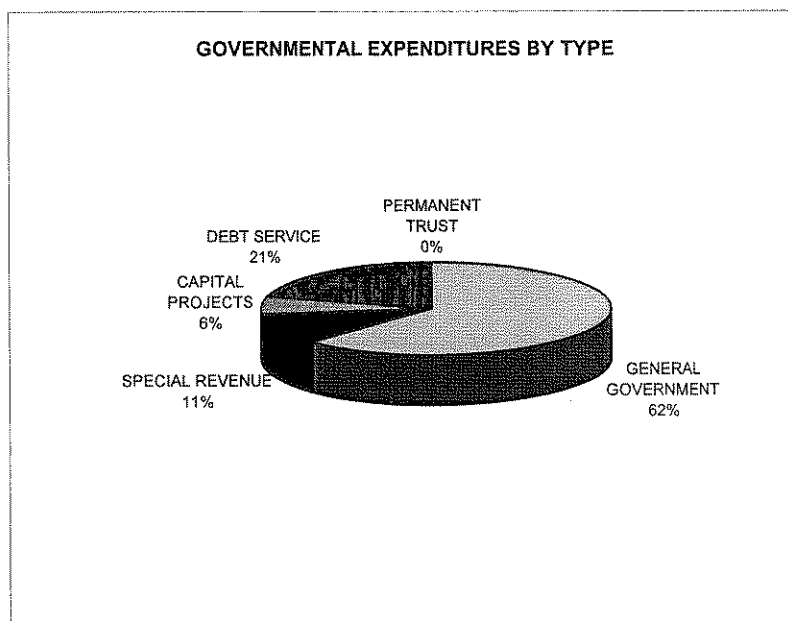
<u>TYPE</u>	<u>AMOUNT</u>	<u>PERCENT</u>
LOCAL	\$ 585,558,148	86%
COMMONWEALTH	78,060,284	11%
FEDERAL	18,952,807	3%
	<u>\$ 682,571,239</u>	<u>100%</u>



\* Includes Primary Government's Governmental Funds only. Does not include transfers.

COUNTY OF LOUDOUN, VIRGINIA  
ACTUAL EXPENDITURES  
JUNE 30, 2004

TYPE	AMOUNT	PERCENT
GENERAL GOVERNMENT	\$ 219,550,404	62%
SPECIAL REVENUE	39,117,124	11%
CAPITAL PROJECTS	20,267,266	6%
DEBT SERVICE	73,179,349	21%
PERMANENT TRUST	3,150	0%
	<u>\$ 352,117,293</u>	<u>100%</u>



\* Includes Primary Government's Governmental Funds only. Does not include transfers.